DOCUMENT RESUME

ED 108 311 EA 007 227

TITLE	A Compilation of Federal Education Laws as Amended Through December 31, 1974. 94th Congress, 1st Session.
INSTITUTION	Congress of the U.S., Washington, D.C. House Committee on Education and Labor.; Congress of the U.S., Washington, D.C. Senate Committee on Labor and Public Welfare.
PUB DATE	Feb 75
NOTE	708p.; A related document is ED 056 409
EDRS PRICE	MF-$1.23 HC-$36.18 PLUS POSTAGE
DESCRIPTORS	*Educational Legislation; Elementary Secondary Education; Federal Government; *Federal Legislation; *Federal Programs; Higher Education; Indexes (Locaters); *Reference Books; *School Law

ABSTRACT

This publication is a comprehensive compilation of federal education laws, grouped according to subject matter. Separate sections of the book present laws dealing with the following broad topics: the education division; elementary and secondary programs; higher education programs; educational research, experimentation, and national education priorities; educational personnel training programs; vocational education programs; public library programs; international education programs; education and training of adults; and education and training of the handicapped. In addition, an appendix presents the text of nine other education-related statutes. A cross-index lists all the book's statutes alphabetically by title. (JG)

****
* Documents acquired by ERIC include many informal unpublished *
* materials not available from other sources. ERIC makes every effort *
* to obtain the best copy available. nevertheless, items of marginal *
* reproducibility are often encountered and this affects the quality *
* of the microfiche and hardcopy reproductions ERIC makes available *
* via the ERIC Document Reproduction Service (EDRS). EDRS is not *
* responsible for the quality of the original document. Reproductions *
* supplied by EDRS are the best that can be made from the original. *
****

ED108311

94th Congress
1st Session
} JOINT COMMITTEE PRINT

A COMPILATION OF FEDERAL EDUCATION LAWS

As Amended Through December 31, 1974

PREPARED FOR THE USE OF THE

HOUSE COMMITTEE ON EDUCATION AND LABOR

AND THE

SENATE COMMITTEE ON LABOR AND PUBLIC WELFARE

U S DEPARTMENT OF HEALTH.
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

FEBRUARY 1975

Printed for the use of the House Committee on Education and Labor and the Senate Committee on Labor and Public Welfare

---

U.S. GOVERNMENT PRINTING OFFICE
44-078 O WASHINGTON : 1975

EA 007 227

COMMITTEE ON EDUCATION AND LABOR

CARL D. PERKINS, Kentucky, *Chairman*

FRANK THOMPSON, Jr., New Jersey
JOHN H. DENT, Pennsylvania
DOMINICK V. DANIELS, New Jersey
JOHN BRADEMAS, Indiana
JAMES G. O'HARA, Michigan
AUGUSTUS F. HAWKINS, California
WILLIAM D. FORD, Michigan
PATSY T. MINK, Hawaii (on leave)
LLOYD MEEDS, Washington
PHILLIP BURTON, California
JOSEPH M. GAYDOS, Pennsylvania
WILLIAM "BILL" CLAY, Missouri
SHIRLEY CHISHOLM, New York
MARIO BIAGGI, New York
IKE ANDREWS, North Carolina
WILLIAM LEHMAN, Florida
JAIME BENITEZ, Puerto Rico
MICHAEL BLOUIN, Iowa
ROBERT CORNELL, Wisconsin
TED RISENHOOVER, Oklahoma
PAUL SIMON, Illinois
EDWARD BEARD, Rhode Island
LEO ZEFERETTI, New York
GEORGE MILLER, California
RONALD MOTTL, Ohio
TIM HALL, Illinois

ALBERT H. QUIE, Minnesota
JOHN M. ASHBROOK, Ohio
ALPHONZO BELL, California
JOHN N. ERLENBORN, Illinois
MARVIN L. ESCH, Michigan
EDWIN D. ESHLEMAN, Pennsylvania
PETER A. PEYSER, New York
RONALD A. SARASIN, Connecticut
JOHN BUCHANAN, Alabama
JAMES M. JEFFORDS, Vermont
LARRY PRESSLER, South Dakota
WILLIAM F. GOODLING, Pennsylvania
VIRGINIA SMITH, Nebraska

COMMITTEE ON LABOR AND PUBLIC WELFARE

HARRISON A. WILLIAMS, Jr., New Jersey, *Chairman*

JENNINGS RANDOLPH, West Virginia
CLAIBORNE PELL, Rhode Island
EDWARD M. KENNEDY, Massachusetts
GAYLORD NELSON, Wisconsin
WALTER F. MONDALE, Minnesota
THOMAS F. EAGLETON, Missouri
ALAN CRANSTON, California
WILLIAM D. HATHAWAY, Maine

JACOB K. JAVITS, New York
RICHARD S. SCHWEIKER, Pennsylvania
ROBERT TAFT, Jr., Ohio
J. GLENN BEALL, Jr., Maryland
ROBERT T. STAFFORD, Vermont
PAUL LAXALT, Nevada

DONALD ELISBURG, *General Counsel*
MARJORIE M. WHITTAKER, *Chief Clerk*
JAY B. CUTLER, *Minority Counsel*

SUBCOMMITTEE ON EDUCATION

CLAIBORNE PELL, Rhode Island, *Chairman*

JENNINGS RANDOLPH, West Virginia
HARRISON A. WILLIAMS, Jr., New Jersey
EDWARD M. KENNEDY, Massachusetts
WALTER F. MONDALE, Minnesota
THOMAS F. EAGLETON, Missouri
ALAN CRANSTON, California
WILLIAM D. HATHAWAY, Maine

J. GLENN BEALL, Jr., Maryland
JACOB K. JAVITS, New York
RICHARD S. SWEIKER, Pennsylvania
ROBERT T. STAFFORD, Vermont
ROBERT TAFT, Jr., Ohio

STEPHEN J. WEXLER, *Counsel*
RICHARD D. SMITH, *Associate Counsel*
GREGORY FUSCO, *Minority Professional Staff Member*

ALPHABETICAL TABLE OF STATUTES

Page

- Adult Education Act 583
- Agricultural Trade Development and Assistance Act of 1954 557
- Alcohol and Drug Abuse Education Act 464
- Bankhead-Jones Act 442
- Child Nutrition Act of 1966 656
- Civil Rights Act of 1964 37
  - Title IV—Desegregation of Public Education 37
  - Title VI—Nondiscrimination in Federally Assisted Programs 40
- Clubs for Boys and Girls Interested in Science 254
- Cooperative Research Act (Public Law 531, 83rd Cong.), as Amended 443
- Educational Television Broadcasting Facilities 593
  - Grants for Noncommercial Educational Broadcasting 593
- Education Amendments of 1972 41
  - Title VIII—General Provisions Relating to the Assignment or Transportation of Students 41
  - Title IX—Prohibition of Sex Discrimination 43
- Education Amendments of 1974 48
  - Title II—Equal Education Opportunities and the Transportation of Students 48
  - Title VII—Reading Improvement 469
- Education of the Handicapped Act 605
- Education Professions Development Act 358
- Eisenhower College, Grants to 703
- Elementary and Secondary Education Act:
  - Title I—Financial Assistance to Local Educational Agencies for Education of Children from Low-Income Families 57
  - Title II—School Library Resources, Textbooks, and Other Instructional Materials 85
  - Title III—Supplementary Educational Centers and Services; Guidance, Counseling, and Testing 89
  - Title IV—Libraries, Learning Resources, Educational Innovation, and Support 103
  - Title V—Grants to Strengthen State Departments of Education 113
  - Title VII—Bilingual Education Programs 128
  - Title VIII—General Provisions 138
  - Title IX—Ethnic Heritage Program 148
- Elementary and Secondary Education Amendments of 1966 46
- Elementary and Secondary Education Amendments of 1969 47
- Ellender, Allen J., Fellowship Program 699
- Emergency Insured Student Loan Act of 1969 434
- Emergency School Aid Act 154
- Environmental Education Act 459
- Foreign Assistance Act of 1961 573
- Future Farmers of America 255
- Gallaudet College 630
- General Education Provisions Act 1
- Higher Education Act of 1965:
  - Title I—Community Service and Continuing Education Programs 260
  - Title II—College Library Assistance and Library Training and Research 268
  - Title III—Strengthening Developing Institutions 274
  - Title IV—Student Assistance 279
  - Title V—Education Professions Development 358
  - Title VI—Financial Assistance for the Improvement of Undergraduate Instruction 379

Higher Education Act of 1965—Continued

Page
  Title VII—Construction of Academic Facilities 386
  Title VIII—Networks for Knowledge 404
  Title IX—Graudate Programs 405
  Title X—Community Colleges and Occupational Education 415
  Title XI—Law School Clinical Experience Programs 429
  Title XII—General Provisions 430
Higher Education Amendments of 1968 433
Hoover, Herbert Memorial 701
Immigration and Nationality Act, the 575
Impact Aid (Public Law 874 and Public Law 815) 80, 184, 220
Indian Education Act 150
International Education Act of 1966 543
Kendall School 635
Land-Grant Colleges 436
Library Services and Construction Act, the 527
  Title I—Library Services 534
  Title II—Public Library Construction 536
  Title III—Interlibrary Cooperation 537
Migration and Refugee Assistance Act of 1962 577
Model Secondary School for the Deaf 628
Morrill Act, First 436
Morrill Act, Second 439
Mutual Educational and Cultural Exchange Act of 1961 563
National Commission on Librarires and Information Sciences Act 539
National Defense Education Act of 1958 546
  Title I—General Provisions 546
  Title III—Financial Assistance for Strengthening Instruction in Science, Mathematics, Modern Foreign Languages, and Other Critical Subjects 241
  Title V—Guidance, Counseling, and Testing; Identification and Encouragement of Able Students 247
  Title VI—Language Development 549
  Title X—Miscellaneous Provisions 551
National Foundation on the Arts and the Humanities Act of 1965 670
National School Lunch Act 640
National Science Foundation Act of 1950 682
National Sea Grant College and Program Act of 1966 637
National Technical Institute for the Deaf 625
Participation in UNESCO 579
Public Law 480, Agricultural Trade Development and Assistance Act of 1954 557
Public Law 815, 81st Congress, School Construction in Areas Affected by Federal Activities 220
Public Law 874, 81st Congress, Financial Assistance for Local Educational Agencies in Areas Affected by Federal Activity 184
  Title III—General 184
School Assistance in Federally Affected Areas (Public Law 874) 184
  Title I—Financial Assistance for Local Educational Agencies in Areas Affected by Federal Activity 184
  Title II—Financial Assistance to Local Educational Agencies for Education of Children of Low-Income Families (Title I of the Elementary and Secondary Education Act of 1965) 211
  Title III—Financial Assistance to Local Educational Agencies for the Education of Indian Children 211
  Title IV—General 80
School Construction in Areas Affected by Federal Activities (Public Law 211
  815) 220
Smith-Hughes Act 517
Special Projects Act 446
Truman, Harry S. Memorial Scholarship Act 693
U.S. Information and Educational Exchange Act of 1948 552
  Title II—Interchange of Persons, Knowledge, and Skills 553
  Title III—Assignment of Specialists 553
  Title IV—Participation by Government Agencies 555
  Title VII—Appropriations 556
  Title VIII—Administrative Procedures 558

Page
Vocational Education Act of 1917 (Smith-Hughes Act) 517
Vocational Education Act of 1963:
  Title I—Vocational Education 481
    Part A—General Provisions 481
    Part B—State Vocational Education Programs 490
    Part C—Research and Training in Vocational Education 498
    Part D—Exemplary Programs and Projects 500
    Part E—Residental Vocational Education 503
    Part F—Consumer and Homemaking Education 506
    Part G—Cooperative Vocational Education Programs 507
    Part H—Work-Study Programs for Vocational Education Students 510
    Part I—Curriculum Development in Vocational and Technical Education 512
    Part J—Bilingual Vocational Training 513
Vocational Education Amendments of 1968 516
  Title I—Amendments to the Vocational Education Act of 1963 516

CONTENTS

PART I—THE EDUCATION DIVISION

Page.
General Education Provisions Act 1
Civil Rights Act of 1964 37
  Title IV—Desegregation of Public Education 37
  Title VI—Nondiscrimination in Federally Assisted Programs 40
Education Amendments of 1972 41
  Title VIII—General Provisions Relating to the Assignment or Transportation of Students 41
  Title IX—Prohibition of Sex Discrimination 43
Elementary and Secondary Education Amendments of 1966 46
  Compliance with Civil Rights Act of 1964 46
Elementary and Secondary Education Amendments of 1969 47
  Policy with Respect to the Application of Certain Provisions of Federal Law 47
Education Amendments of 1974 48
  Title II—Equal Education Opportunities and the Transportation of Students 48

PART II—ELEMENTARY AND SECONDARY PROGRAMS

Elementary and Secondary Education Act of 1965, as Amended 57
  Title I—Financial Assistance to Local Educational Agencies for the Education of Children of Low-Income Families 57
  Title IV (P.L. 874)—General 80
  Title II—School Library Resources, Textbooks, and Other Instructional Materials 85
  Title III—Supplementary Educational Centers and Services; Guidance, Counseling, and Testing 89
  Title IV—Libraries, Learning Resources, Educational Innovation, and Support 103
  Title V—Strengthening State and Local Educational Agencies 113
  Title VII—Bilingual Education Programs 128
  Title VIII—General Provisions 138
  Title IX—Ethnic Heritage Program 148
Indian Education Act 150
Emergency School Aid Act 154
Public Law 874, 81st Congress 184
Public Law 815, 81st Congress 220
National Defense Education Act 237
  Title I—General Provisions 238
  Title III—Financial Assistance for Strengthening Instruction in Science, Mathematics, Modern Foreign Languages, and Other Critical Subjects 241
  Title V—Guidance, Counseling, and Testing; Identification and Encouragement of Able Students 247
  Title X—Miscellaneous Provisions 250
Clubs for Boys and Girls Interested in Science 254
Future Farmers of America 255

PART III—HIGHER EDUCATION PROGRAMS

Page

- Higher Education Act of 1965 260
  - Title I—Community Service and Continuing Education Programs 260
  - Title II—College Library Assistance and Library Training and Research 268
  - Title III—Strengthening Developing Institutions 274
  - Title IV—Student Assistance 279
  - Title V—Education Professions Development 358
  - Title VI—Financial Assistance for the Improvement of Undergraduate Instruction 379
  - Title VII—Construction of Academic Facilities 386
  - Title VIII—Networks for Knowledge 404
  - Title IX—Graduate Programs 405
  - Title X—Community Colleges and Occupational Education 415
  - Title XI—Law School Clinical Experience Programs 429
  - Title XII—General Provisions 430
- Higher Education Amendments of 1968 433
  - Section 506—Duplication of Benefits 434
  - Section 507—Financial Aid to Students not to be Treated as Income or Resources under Certain Programs 434
- Emergency Insured Student Loan Act of 1969 434
- First Morrill Act 436
- Second Morrill Act 439
- Bankhead-Jones Act 442
- Land-Grant Status for the Virgin Islands and Guam 443

PART IV—EDUCATIONAL, RESEARCH, EXPERIMENTATION, AND NATIONAL EDUCATION PRIORITIES

- Cooperative Research Act 443
- Special Projects Act 446
- Environmental Education Act 459
- Alcohol and Drug Abuse Education Act 464
- National Reading Improvement Program 469

PART V—EDUCATIONAL PERSONNEL TRAINING PROGRAMS

- Higher Education Act of 1965 479
  - Title V—Education Professions Development 479

PART VI—VOCATIONAL EDUCATION PROGRAMS

- Vocational Education Act of 1963, as Amended 481
- Vocational Education Amendments of 1968 516
  - Section 104—Use of Funds Available under the Smith-Hughes Act 517
- Vocational Education Act of 1917 (Smith-Hughes Act) 517

PART VII—PUBLIC LIBRARY PROGRAMS

- Library Services and Construction Act 527
- National Commission on Libraries and Information Sciences Act 539

PART VIII—INTERNATIONAL EDUCATION PROGRAMS

- International Education Act of 1966 543
- National Defense Education Act of 1958 546
  - Title I—General Provisions 546
  - Title VI—Language Development 549
  - Title X—Miscellaneous Provisions 551
- United States Information and Educational Exchange Act of 1948 552
- Agricultural Trade Development and Assistance Act of 1954 (P.L. 480, 83d Congress) 557
- Mutual Educational and Cultural Exchange Act of 1961 563
- Foreign Assistance Act of 1961 573
- Immigration and Nationality Act 575
- Migration and Refugee Assistance Act of 1962 577
- Participation in UNESCO 579

PART IX—EDUCATION AND TRAINING OF ADULTS

Page
Adult Education Act 583
Communications Act of 1934 593
Title III, Part IV 593
Grants for Noncommercial Educational Broadcasting Facilities; Corporation for Public Broadcasting 593

PART X—EDUCATION AND TRAINING OF THE HANDICAPPED

Education of the Handicapped Act 605
National Technical Institute for the Deaf Act 625
Model Secondary School for the Deaf Act 628
Gallaudet College 630
Kendall School 635

APPENDIX—TEXT OF SELECTED STATUTES

National Sea Grant College and Program Act of 1966 637
National School Lunch Act 640
Child Nutrition Act of 1966 655
National Foundation on the Arts and the Humanities Act of 1965 670
National Science Foundation Act of 1950 682
Allen J. Ellender Fellowship Program 699
Harry S. Truman Memorial Scholarship Act 693
Herbert Hoover Memorial 701
Grants to Eisenhower College and the Samuel Rayburn Library 703

PART I—THE EDUCATION DIVISION

GENERAL PROVISIONS CONCERNING EDUCATION[1]

SHORT TITLE; APPLICABILITY; DEFINITIONS; APPROPRIATIONS

SEC. 400. (a) This title may be cited as the "General Education Provisions Act."

(b) Except where otherwise specified, the provisions of this title shall apply to any program for which an administrative head of an education agency has administrative responsibility as provided by law or by delegation of authority pursuant to law.

(c) (1) For the purposes of this title, the term—

(A) "applicable program" means any program to which this title is, under the terms of subsection (b), applicable;

(B) "applicable statute" means—

(i) the Act or the title, part or section of an Act, as the case may be, which authorizes the appropriation for an applicable program;

(ii) this title; and

(iii) any other statute which under its terms expressly controls the administration of an applicable program;

(C) "Assistant Secretary" means the Assistant Secretary of Health, Education, and Welfare for Education;

(D) "Commissioner" means the Commissioner of Education;

(E) "Director" means the Director of the National Institute of Education; and

(F) "Secretary" means the Secretary of Health, Education, and Welfare.

(2) Nothing in this title shall be construed to affect the applicability of the Civil Rights Act of 1964 to any program subject to the provisions of this title.

(3) No Act making appropriations to carry out an applicable program shall be considered an applicable statute.

(d) Except as otherwise limited in this title, there are authorized to be appropriated for any fiscal year such sums as may be necessary to carry out the provisions of this title.

(e) (1) The aggregate of the appropriations to the agencies in the Education Division and to the Office of the Assistant Secretary for any fiscal year shall not exceed the limitations set forth for that fiscal year in subparagraph (2).

(2) (A) Except as is provided in subparagraph (B), the appropriations to which paragraph (1) applies—

(i) shall not exceed $7,500,000,000 for the fiscal year ending June 30, 1975, $8,000,000,000 for the fiscal year ending June 30, 1976, and $9,000,000,000 for the fiscal year ending June 30, 1977; and

---

[1] Title IV of P.L. 90–247 as amended by P.L. 91–230, P.L. 92–318 and P.L. 93–380.

(ii) shall not exceed such amounts as may be authorized by the law and limited by this subparagraph.

(B) The limitations set forth in subparagraph (A) shall not apply—

(i) to uncontrollable expenditures under obligations created under part B of title IV of the Higher Education Act of 1965, parts C and D of title VII of such Act, and the Emergency Insured Student Loan Act of 1969; and

(ii) to any other expenditure under an obligation determined by the Commissioner pursuant to, or in accordance with, law to be an uncontrollable expenditure of the Office of Education.

(20 U.S.C. 1221) Enacted Jan. 2, 1968, P.L. 90–247, Title IV, sec. 401, 81 Stat. 814; amended Oct. 16, 1968, P.L. 90–576, Title III, sec. 301(a), 82 Stat. 1094; amended April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(2), 84 Stat. 164; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 326; amended August 21, 1974, P.L. 93–380, sec. 505(a)(1), 88 Stat. 561, 562.

PART A—EDUCATION DIVISION OF THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

THE EDUCATION DIVISION

SEC. 401. (a) There shall be, within the Department of Health, Education, and Welfare, an Education Division, composed of the agencies listed in subsection (b), which shall be headed by the Assistant Secretary.

(b)(1) The Education Division shall be composed of the following agencies:

(A) The Office of Education; and

(B) The National Institute of Education.

(2) In the Office of the Assistant Secretary there shall be a National Center for Education Statistics.

(20 U.S.C. 1221(a) Enacted June 23, 1972, P.L. 92–318, sec. 301(a)(2), 86 Stat. 327; amended August 21, 1974, P.L. 93–380, sec. 504(a), 88 Stat. 561.

ASSISTANT SECRETARY FOR EDUCATION

SEC. 402. (a) There shall be in the Department of Health, Education, and Welfare an Assistant Secretary for Education, who shall be appointed by the President by and with the advice and consent of the Senate. The Assistant Secretary for Education shall be compensated at the rate specified for level IV of the Executive Schedule under sectiton 5315 of title 5, United States Code.

(b) The Assistant Secretary shall be the principal officer in the Department to whom the Secretary shall assign responsibility for the direction and supervision of the Education Division.

(20 U.S.C. 1221b) Enacted June 23, 1972, P.L. 92–318, sec. 301(a)(2), 86 Stat. 327; amended August 21, 1974, P.L. 93–380, sec. 501(a)(2)(A), 88 Stat. 560.

THE OFFICE OF EDUCATION

SEC. 403. (a) There shall be an Office of Education (hereinafter in this section referred to as the 'Office') which shall be the primary agency of the Federal Government responsible for the administration of programs of financial assistance to educational agencies, institutions, and organizations. The Office shall have such responsibilities and authorities as may be vested in the Commissioner by law or delegated to the Commissioner in accordance with law.

(b) The Office shall be headed by the Commissioner of Education who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be subject to the direction and supervision of the Secretary.

(c)(1) The Office shall, consistent with such organization thereof which is provided by law, be divided into bureaus, and such bureaus shall be divided into divisions as the Commissioner determines appropriate.

(2)(A) There shall be regional offices of the Office established in such places as the Commissioner, after consultation with the Assistant Secretary, shall determine. Such regional offices shall carry out such functions as are specified in subparagraph (B).

(B) The regional offices shall serve as centers for the dissemination of information about the activities of the agencies in the Education Division and provide technical assistance to State and local educational agencies, institutions of higher education, and other educational agencies, institutions, and organizations and to indviduals and other groups having an interest in Federal education activities.

(C) The Commissioner shall not delegate to any employee in any regional office any function which was not carried out, in accordance with regulations effective prior to June 1, 1973, by employees in such offices unless the delegation of such function to employees in regional offices is expressly authorized by law enacted after the enactment of the Education Amendments of 1974.[1]

(3) The Commissioner shall submit to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives not later than November 1 of each year a report on the personnel needs and assignments of the Office. Such report shall include a description (A) of the manner in which the Office is organized and the personnel of the Office are assigned to the various functions of that agency and (B) of personnel needs of that agency in order to enable it to carry out its functions, as authorized by law.

(20 U.S.C. 1221c) Enacted June 23, 1972, P.L. 92–318, sec. 301(a)(2), 86 Stat. 327; amended August 21, 1974, P.L. 93–380, sec. 503(a), 88 Stat. 560, 561.

SUPPORT FOR IMPROVEMENT OF POSTSECONDARY EDUCATION

SEC. 404. (a) Subject to the provisions of subsection (b), the Secretary is authorized to make grants to, and contracts with, institutions of postsecondary education (including combinations of such institutions) and other public and private educational institutions and agencies (except that no grant shall be made to an educational institution or agency other than a nonprofit institution or agency) to improve postsecondary educational opportunities by providing assistance to such educational institutions and agencies for—

---

[1] **Sec. 503(b) of P.L. 93–380 provides that the provisions of limitation set forth in this subsection shall be retroactive to June 1, 1973.**

(1) encouraging the reform, innovation, and improvement of postsecondary education, and providing equal educational opportunity for all;

(2) the creation of institutions and programs involving new paths to career and professional training, and new combinations of academic and experimental learning;

(3) the establishment of institutions and programs based on the technology of communications;

(4) the carrying out in postsecondary educational institutions of changes in internal structure and operations designed to clarify institutional priorities and purposes;

(5) the design and introduction of cost-effective methods of instruction and operation;

(6) the introduction of institutional reforms designed to expand individual opportunities for entering and reentering institutions and pursuing programs of study tailored to individual needs;

(7) the introduction of reforms in graduate education, in the structure of academic professions, and in the recruitment and retention of faculties; and

(8) the creation of new institutions and programs for examining and awarding credentials to individuals, and the introduction of reforms in current institutional practices related thereto.

(b) No grant shall be made or contract entered into under subsection (a) for a project or program with any institution of postsecondary education unless it has been submitted to each appropriate State Commission established under section 1202 of the Higher Education Act of 1965, and an opportunity afforded such Commission to submit its comments and recommendations to the Secretary.

(c) For the purposes of this section, the authority granted to the Commissioner in part D of this Act shall apply to the Secretary.

(d) The Secretary may appoint, for terms not to exceed three years, without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service, not more than five technical employees to administer this section who may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(e) There are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1973, $50,000,000 for the fiscal year ending June 30, 1974, and $75,000,000 for the fiscal year ending June 30, 1975, for the purposes of this section.

(20 U.S.C. 1221d) Enacted June 23, 1972, P.L. 92-318, sec. 301(a)(2), 86 Stat. 327.

NATIONAL INSTITUTE OF EDUCATION

SEC. 405. (a) (1) The Congress hereby declares it to be the policy of the United States to provide to every person an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, national origin, or social class. Although the American educational system has pursued this objective, it has not yet attained that objective. Inequalities of opportunity to receive high quality education remain pronounced. To achieve quality will require far more dependable knowledge about the processes of learning and education than now exists or can be expected from present research and experimentation in this field. While the direction of the education system remains primarily the responsibility of State and local governments the Federal Government has a clear responsibility to provide leadership in the conduct and support of scientific inquiry into the educational process.

(2) The Congress further declares it to be the policy of the United States to—

(i) help to solve or to alleviate the problems of, and promote the reform and renewal of American education;

(ii) advance the practice of education, as an art, science, and profession;

(iii) strengthen the scientific and technological foundations of education; and

(iv) build an effective educational research and development system.

(b)(1) In order to carry out the policy set forth in subsection (a), there is established the National Institute of Education (hereinafter referred to as the "Institute") which shall consist of a National Council on Educational Research (referred to in this section as the "Council") and a Director of the Institute (hereinafter referred to as the "Director"). The Institute shall have only such authority as may be vested therein by this section.

(2) The Institute shall, in accordance with the provisions of this section, seek to improve education, including career education, in the United States through—

(A) helping to solve or to alleviate the problems of, and achieve the objectives of American education;

(B) advancing the practice of education, as an art, science, and profession;

(C) the strengthening of the scientific and technological foundations of education; and

(D) building an effective educational research and development system.

(c)(1) The Council shall consist of fifteen members appointed by the President, by and with the advice and consent of the Senate, the Director, and such other ex officio members who are officers of the United States as the President may designate. Eight members of the Council (excluding ex officio members) shall constitute a quorum. The Chairman of the Council shall be designated from among its appointed members by the President. Ex officio members shall not have a vote on the Council.

(2) The term of office of the members of the Council (other than ex officio members) shall be three years, except that (A) the members first taking office shall serve as designated by the President, five for terms of three years, five for terms of two years, and five for terms of one year, and (B) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

Any appointed member who has been a member of the Council for six counsecutive years shall thereafter be ineligible for appointment to the Council during the two-year period following the expiration of such sixth year.

(3) The Council shall—

(A) establish general policies for, and review the conduct of, the Institute;

(B) advise the Assistant Secretary and the Director of the Institute on development of programs to be carried out by the Institute;

(C) present to the Assistant Secretary and the Director such recommendations as it may deem appropriate for the strengthening of educational research, the improvement of methods of collecting and disseminating the findings of educational research and of insuring the implementation of educational renewal and reform based upon the findings of educational research;

(D) conduct such studies as may be necessary to fulfill its functions under this section;

(E) prepare an annual report to the Assistant Secretary on the current status and needs of educational research in the United States;

(F) submit an annual report to the President on the activities of the Institute, and on education and educational research in general, (i) which shall include such recommendations and comments as the Council may deem appropriate, and (ii) shall be submitted to the Congress not later than March 31 of each year; and

(G) meet at the call of the Chairman, except that it shall meet (i) a least four times during each fiscal year, or (ii) whenever one-third of the members request in writing that a meeting be held.

The Director shall make available to the Council such information and assistance as may be necessary to enable the Council to carry out its functions.

(d)(1) The Director of the Institute shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall be compensated at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code, and shall perform such duties and exercise such powers and authorities as the Council, subject to the general supervision of the Assistant Secretary, may prescribe. The Director shall be responsible to the Assistant Secretary and shall report to the Secretary through the Assistant Secretary and not to or through any other officer of the Department of Health, Education, and Welfare. The Director shall not delegate any of his functions to any other officer who is not directly responsible to him.

(2) There shall be a Deputy Director of the Institute (referred to in this section as the "Deputy Director") who shall be appointed by the President and shall serve at the pleasure of the President. The Deputy Director shall be compensated at the rate provided for grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code, and shall act for the Director during the absence or disability of the Director and exercise such powers and authorities as the Director may prescribe. The position created by this paragraph shall

be in addition to the number of positions placed in grade 18 of the General Schedule under section 5108 of title 5, United States Code.

(e)(1) In order to carry out the objectives of the Institute, the Director is authorized, through the Institute, to conduct educational research; collect and disseminate the findings of educational research; train individuals in educational research; assist and foster such research; collection, dissemination, or training through grant, or technical assistance to, or jointly financed cooperative arrangements with, public or private organizations, institutions, agencies, or individuals; promote the coordination of such research and research support within the Federal Government; and may construct or provide (by grant or otherwise) for such facilities as he determines may be required to accomplish such purposes. As used in this subsection, the term "educational research" includes research (basic and applied), planning, surveys, evaluations, investigations, experiments, developments, and demonstrations in the field of education (including career education).

(2) Not less than 90 per centum of the funds appropriated pursuant to subsection (h) for any fiscal year shall be expended to carry out this section through grants or contracts with qualified public or private agencies and individuals.

(3) The Director may appoint, for terms not to exceed three years, without regard to the provisions of title 5 of the United States Code governing appointment in the competitive service and may compensate without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, such technical or professional employees of the Institute as he deems necessary to accomplish its functions and also appoint and compensate without regard to such provisions not to exceed one-fifth of the number of full-time, regular technical or professional employees of the Institute.

(g) Where funds are advanced for a single project by more than one Federal agency for the purposes of this section, the National Institute of Education may act for all in administering the funds advanced.

(h) There are hereby authorized to be appropriated, without fiscal year limitations, $550,000,000, in the aggregate, for the period beginning July 1, 1972, and ending June 30, 1975, to carry out the functions of the Institute. Sums so appropriated shall, notwithstanding any other provision of law unless enacted in express limitation of this subsection, remain available for the purposes of this subsection until expended.

(20 U.S.C. 1221e) Enacted June 23, 1972, P.L. 92–318, sec. 301(a)(2), 86 Stat. 328, 332; amended August 21, 1974, P.L. 93–380, sec. 502(b)(2)(B), 88 Stat. 560.

NATIONAL CENTER FOR EDUCATION STATISTICS

SEC. 406. (a) There is established, within the Office of the Assistant Secretary, a National Center for Education Statistics (hereafter in this section referred to as the 'Center'). The Center shall be headed by an Administrator who shall be appointed by the Assistant Secretary in accordance with the provisions of title 5, United States Code, relating to appointements in the competitive service.

(b) The purpose of the Center shall be to collect and disseminate statistics and other data related to education in the United States and in other nations. The Center shall—

(1) collect, collate, and, from time to time, report full and complete statistics on the conditions of education in the United States;

(2) conduct and publish reports on specialized analyses of the meaning and significance of such statistics;

(3) assist State and local educational agencies in improving and automating their statistical and data collection activities; and

(4) review and report on educational activities in foreign countries.

(c)(1) There shall be an Advisory Council on Education Statistics which shall be composed of 7 members appointed by the Secretary and such ex officio members as are listed in subparagraph (2). Not more than 4 of the appointed members of the Council may be members of the same political party.

(2) The ex officio members of the Council shall be—

(A) the Commissioner of Education,

(B) the Director of the National Institute of Education,

(C) the Director of the Census, and

(D) the Commissioner of Labor Statistics.

(3) Appointed members of the Council shall serve for terms of 3 years, as determined by the Secretary, except that in the case of initially appointed members of the Council, they shall serve for shorter terms to the extent necessary that the terms of office of not more than 3 members expire in the same calendar year.

(4) The Assistant Secretary shall serve as the non-voting presiding officer of the Council.

(5)(A) The Council shall meet at the call of the presiding officer, except that it shall meet—

(i) at least four times during each calendar year; and

(ii) in addition, whenever three voting members request in writing that the presiding officer call a meeting.

(B) Six members of the Council shall constitute a quorum of the Council.

(6) The provisions of section 448(b) of part D of this title shall not apply to the Council established under this subsection.

(7) The Council shall review general policies for the operation of the Center and shall be responsible for establishing standards to insure that statistics and analyses disseminated by the Center are of high quality and are not subject to political influence.

(d)(1) The Assistant Secretary shall, not later than March 1 of each year, submit to the Congress an annual report which—

(A) contains a description of the activities of the Center during the then current fiscal year and a projection of its activities during the succeeding fiscal year;

(B) sets forth estimates of the cost of the projected activities for such succeeding fiscal year; and

(C) includes a statistical report on the condition of education in the United States during the two preceding fiscal years and a projection, for the three succeeding fiscal years, of estimated statistics related to education in the United States.

(2) The Center shall develop and enforce standards designed to protect the confidentiality of persons in the collection, reporting, and publication of data under this section. This subparagraph shall not be construed to protect the confidentiality of information about institutions, organizations, and agencies receiving grants from or having contracts with the Federal Government.

(e) In order to carry out the objectives of the Center, the Assistant Secretary is authorized, either directly or by grant or contract, to carry out the purposes set forth in subsection (b), and for that purpose the Assistant Secretary is authorized to make grants to, and contracts with public and private institutions, agencies, organizations and individuals.

(f)(1)(A) The Center is authorized to furnish transcripts or copies of tables and other statistical records of the Office of Education, the Assistant Secretary, and the National Institute of Education to, and to make special statistical compilations and surveys for, State or local officials, public and private organizations, or individuals. The Center shall furnish such special statistical compilations and surveys as the Committees on Labor and Public Welfare and on Appropriations of the Senate and the Committees on Education and Labor and on Appropriations of the House of Representatives may request. Such statistical compilations and surveys, other than those carried out pursuant to the preceding sentence, shall be made subject to the payment of the actual or estimated cost of such work. In the case of nonprofit organizations or agencies, the Assistant Secretary may engage in joint statistical projects, the cost of which shall be shared equitably as determined by the Assistant Secretary: *Provided*, That the purposes of such projects are otherwise authorized by law.

(B) All funds received in payment for work or services enumerated under subparagraph (A) shall be deposited in a separate account which may be used to pay directly the costs of such work or services, to repay appropriations which initially bore all or part of such costs, or to refund excess sums when necessary.

(2)(A) The Center shall participate with other Federal agencies having a need for educational data in forming a consortium for the purpose of providing direct joint access with such agencies to all educational data received by the Center through automated data processing. The Library of Congress, General Accounting Office, and the Committees on Labor and Public Welfare and Appropriations of the Senate and the Committees on Education and Labor and Appropriations of the House of Representatives shall, for the purposes of this subparagraph, be considered Federal agencies.

(B) The Center shall, in accordance with regulations published for the purpose of this paragraph, provide all interested parties, including public and private agencies and individuals, direct access to data collected by the Center for purposes of research and acquiring statistical information.

(3) The Commissioner and the National Institute of Education are directed to cooperate with the Center and make such records and data available to the Center as may be necessary to enable the Center to carry out its functions under this subsection.

(g)(1) The amount available for salaries and expenses of the Center shall not exceed $5,000,000 for the fiscal year ending June 30, 1975,

$10,000,000 for the fiscal year ending June 30, 1976, and $14,000,000 for the fiscal year ending June 30, 1977.

(2) The amount available for grants and contracts by the Assistant Secretary under subsection (e) shall not exceed $20,000,000 for the fiscal year ending June 30, 1975, $25,000,000 for the fiscal year ending June 30, 1976, and $30,000,000 for the fiscal year ending June 30, 1977.

(3) Sums appropriated for activities and expenses of the Center which are not limited by paragraph (2) of this subsection shall be appropriated apart from appropriations which are so limited, as separate line items.

(20 U.S.C. 1221-1) enacted August 21, 1974, P.L. 93-380, sec. 501(a), 88 Stat. 556, 558.

RULES FOR EDUCATION OFFICERS OF THE UNITED STATES

SEC. 407. (a) For the purposes of this section, the term "education officer of the United States" means any person appointed by the President pursuant to this part, except members of commissions, councils, and boards.

(b) Each education officer of the United States shall serve at the pleasure of the President.

(c) No education officer of the United States shall engage in any other business, vocation, or employment while serving in the position to which he is appointed; nor may he, except with the express approval of the President in writing, hold any office in, or act in any capacity for, or have any financial interest in, any organization, agency, or institution to which an agency in the Education Division makes a grant or with which any such agency makes a contract or any other financial arrangement.

(d) No person shall hold, or act for, more than one position as an education officer of the United States for more than a 30 day period.

(20 U.S.C. 1221e-2) enacted August 21, 1974, P.L. 93-380, sec. 502(a)(1), 88 Stat. 559.

GENERAL AUTHORITY OF ADMINISTRATIVE HEADS OF EDUCATION AGENCIES

SEC. 408. (a) Each administrative head of an education agency, in order to carry out functions otherwise vested in him by law, is, subject to limitations as may be otherwise imposed by law, authorized—

(1) to make, promulgate, issue, rescind, and amend rules and regulations governing the manner of operation of the agency of which he is head;

(2) in accordance with those provisions of title 5, United States Code, relating to the appointment and compensation of personnel and subject to such limitations as are imposed in this part, to appoint and compensate such personnel as may be necessary to enable such agency to carry out its functions;

(3) to accept unconditional gifts or donations of services, money, or property (real, personal, or mixed; tangible or intangible);

(4) without regard for section 3648 of the Revised Statutes of the United States (31 U.S.C. 529), to enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary for the conduct of such agency;

(5) with funds expressly appropriated for such purpose, to construct such facilities as may be necessary to carry out functions vested in him or in the agency of which he is head, and to acquire and dispose of property; and

(6) to use the services of other Federal agencies and reimburse such agencies for such services.

(b) Any administrative head of an education agency is, subject to any other limitations on delegations of authority provided by law, authorized to delegate any of his functions under this section to an officer or employee of that agency.

(c) For the purposes of this section, the term 'administrative head of an education agency' means the Commissioner and the Director of the National Institute of Education. To the extent that the Assistant Secretary is directly responsible for the administration of a program and to the extent that the Assistant Secretary is responsible for the supervision of the National Center for Education Statistics, the Assistant Secretary shall, for such purposes, be considered within the meaning of such term.

(20 U.S.C. 1221e-3) Enacted August 21, 1974, P.L. 93-380, sec. 502(a)(1), 88 Stat. 559, 560.

PART B—APPROPRIATIONS AND EVALUATIONS

Subpart I—Appropriations

ADVANCE FUNDING

SEC. 411. To the end of affording the responsible State, local, and Federal officers concerned adequate notice of available Federal financial assistance for education, appropriations for grants, contracts, or other payments under any applicable program are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application under such program will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

(20 U.S.C. 1223) Enacted Jan. 2, 1968, P.L. 90-247, Title IV, sec. 403, 81 Stat. 814; amended April 13, 1970, P.L. 92-230. Title IV, sec. 401(a)(4), 84 Stat. 165; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326; redesignated, August 21, 1974, P.L. 93-380, sec. 506(a)(1)(C), 88 Stat. 562.

AVAILABILITY OF APPROPRIATIONS ON ACADEMIC OR SCHOOL YEAR BASIS

SEC. 412. (a) Appropriations for any fiscal year for grants, loans, contracts, or other payments to educational agencies or institutions under any applicable program may, in accordance with regulations of the Secretary, be made available for expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year.

(b) Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds from appropriations to carry out any programs to which this title is applicable during any fiscal year, ending prior to July 1, 1978, which are not obligated and expended by educational agencies or institutions prior to the beginning of the fiscal year succeeding the fiscal year of which such funds were appropriated shall remain available for obligation and expenditure by such agencies and institutions during such succeeding fiscal year.

(c) If any funds appropriated to carry out any applicable program are not obligated pursuant to a spending plan submitted in accordance with section 3679(d)(2) of the Revised Statutes and become available for obligation after the institution of a judicial proceeding seeking the release of such funds, then such funds shall be available for obligation and expenditure until the end of the fiscal year which begins after the termination of such judicial proceeding.

(20 U.S.C. 1225) Enacted Jan. 2, 1968, P.L. 90–247, Title I, sec. 405 81 Stat. 815; amended April 13, 1970, P.L. 91–230, Title IV, sec. 401(a) (5), (7), (8), 84 Stat. 165; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 326, redesignated and amended, August 21, 1974, P.L. 93–380, sec. 506(a)(1), 88 Stat. 562, 563.

AVAILABILITY OF APPROPRIATIONS

SEC. 413. Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this title, funds appropriated for any fiscal year to carry out any of the programs to which this title is applicable shall remain available for obligation and expenditure until the end of such fiscal year.

(20 U.S.C. 1226) Enacted Oct. 16, 1968, P.L. 90–576, Title III, sec. 301(b), 82 Stat. 1094; amended April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(9), 84 Stat. 166; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 326; amended August 21, 1974, P.L. 93–380, sec. 506(a)(2), 88 Stat. 563.

CONTINGENT EXTENSION OF PROGRAMS

SEC. 414. (a) Unless the Congress in the regular session which ends prior to the beginning of the terminal fiscal year—

(1) of the authorization of appropriations for an applicable program; or

(2) of the duration of an applicable program;

either—

(A) has passed or has formally rejected legislation which would have the effect of extending the authorization or duration (as the case may be) of that program; or

(B) by action of either the House of Representatives or the Senate, approves a resolution stating that the provisions of this section shall no longer apply to such program;

such authorization or duration is hereby automatically extended for one additional fiscal year. The amount appropriated for such additional year shall not exceed the amount which the Congress could, under the terms of the law for which the appropriation is made, have appropriated for such program during such terminal year.

(b)(1) For the purposes of clause (A) of subsection (a), the Congress shall not have been deemed to have passed legislation unless such legislation becomes law.

(2) In any case where the Commissioner is required under an applicable statute to carry out certain acts or make certain determina-

tions which are necessary for the continuation of an applicable program, if such acts or determinations are required during the terminal year of such program, such acts and determinations shall be required during any fiscal year in which that part of subsection (a) which follows clause (B) thereof is in operation.

(20 U.S.C. 1226a) Enacted August 21, 1974, P.L. 93-380, Sec. 506(a)(2), 88 Stat. 563.

Subpart 2—Planning and Evaluation of Federal Education Activities

PROGRAM PLANNING EVALUATION

SEC. 416. Sums appropriated pursuant to section 400(d) may include for any fiscal year for which appropriations are otherwise authorized under any applicable program not to exceed $25,000,000 which shall be available to the Secretary, in accordance with regulations prescribed by him, for expenses, including grants, contracts, or other payments, for (1) planning for the succeeding year for any such program, and (2) evaluation of such programs.

(20 U.S.C. 1226b) Enacted August 21, 1974, P.L. 93-380, sec. 506(a)(3)(C), 88 Stat. 563, 564.

ANNUAL EVALUATION REPORTS

SEC. 417. (a)(1) Not later than November 1 of each year, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate an annual evaluation report which evaluates the effectiveness of applicable programs in achieving their legislated purposes together with recommendations relating to such programs for the improvement of such programs which will result in greater effectiveness in achieving such purposes. In the case of any evaluation report evaluating specific programs and projects, such report shall—

(A) set forth goals and specific objectives in qualitative and quantitative terms for all programs and projects assisted under the applicable program concerned and relate those goals and objectives to the purposes of such program;

(B) contain information on the progress being made during the previous fiscal year toward the achievement of such goals and objectives;

(C) describe the cost and benefits of the applicable program being evaluated during the previous fiscal year and identify which sectors of the public receive the benefits of such program and bear the costs of such program;

(D) contain plans for implementing corrective action and recommendations for new or amended legislation where warranted;

(E) contain a listing identifying the principal analyses and studies supporting the major conclusions and recommendations in the report; and

(F) be prepared in concise summary form with necessary detailed data and appendices.

(2) In the case of programs and projects assisted under title I of the Elementary and Secondary Education Act of 1965, the report under this subsection shall include a survey of how many of the children counted under section 103(c) of such Act participate in such

programs and projects, and how many of such children do not, and a survey of how many educationally disadvantaged children participate in such programs and projects, and how many educationally disadvantaged children do not. For purposes of the preceding sentence, the term 'educationally disadvantaged children' refers to children who are achieving one or more years behind the achievement expected at the appropriate grade level for such children.

(b) Each evaluation report submitted pursuant to subsection (a) shall contain: (1) a brief description of each contract or grant for evaluation of any program (whether or not such contract or grant was made under section 416) any part of the performance of which occurred during the preceding year, (2) the name of the firm or individual who is to carry out the evaluation, and (3) the amount to be paid under the contract or grant.

(20 U.S.C. 1226c) Enacted August 21, 1974, P.L. 93–380, sec. 506(a)(3)(C), 88 Stat. 564.

RENEWAL EVALUATION REPORTS

SEC. 418. (a) In the case of any applicable program for which—

(1) the authorization of appropriations expires; or

(2) the time during which payments or grants are to be made expires;

not later than one year prior to the date of such expiration, the Assistant Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a comprehensive evaluation report on such program.

(b) Any comprehensive evaluation report submitted pursuant to subsection (a) shall contain—

(1) a history of the program concerned, including—

(A) a history of authorizations of appropriations, budget requests, appropriations, and expenditures for such programs;

(B) a history of legislative recommendations with respect to such program made by the President and the disposition of such recommendations, and

(C) a history of legislative changes made in applicable statutes with respect to such program;

(2) assuming a continuation of such program, recommendations for improvements (including legislative changes and funding levels) in such program with a view toward achieving the legislative purposes of such program;

(3) a compilation and summary of all evaluations of such program; and

(4) a recommendation with respect to whether such program should be continued, and the date of its expiration, and the reasons for such recommendations."

(20 U.S.C. 1226d) Enacted August 21, 1974, P.L. 93–380, sec. 506(a)(3)(C), 88 Stat. 564, 565.

EVALUATION BY THE COMPTROLLER GENERAL

SEC. 419. (a) The Comptroller General of the United States shall review, audit, and evaluate any Federal education program upon request by a committee of the Congress having jurisdiction of the statute authorizing such program or, to the extent personnel are available, upon request by a member of such committee. Upon such request, he shall (1) conduct studies of statutes and regulations governing such program; (2) review the policies and practices of Federal agencies administering such program; (3) review the evaluation procedures adopted by such agencies carrying out such program; and (4) evaluate particular projects or programs. The Comptroller General shall compile such data as are necessary to carry out the preceding functions and shall report to the Congress at such times as he deems appropriate his findings with respect to such program and his recommendations for such modifications in existing laws, regulations, procedures and practices as will in his judgment best serve to carry out effectively and without duplication the policies set forth in education legislation relative to such program.

(b) In carrying out his responsibilites as provided in subsection (a), the Comptroller General shall give particular attention to the practice of Federal agencies of contracting with private firms, organizations and individuals for the provision of a wide range of studies and services (such as personnel recruitment and training, program evaluation, and program administration) with respect to Federal education programs, and shall report to the heads of the agencies concerned and to the Congress his findings with respect to the necessity for such contracts and their effectiveness in serving the objectives established in education legislation.

(c) In addition to the sums authorized to be appropriated under section 400(d), there are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

(20 U.S.C. 1227) Enacted June 23, 1972, P.L. 92–318, sec. 304, Stat. 333.

PROHIBITION AGAINST USE OF APPROPRIATED FUNDS FOR BUSING

SEC. 420. No funds appropriated for the purpose of carrying out any applicable program may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system, except for funds appropriated pursuant to title I of the Act of September 30, 1950 (P.L. 874, 81st Congress), but not including any portion of such funds as are attributable to children counted under subparagraph (C) of section 3(d)(2) or section 403(1)(C) of that Act.

(20 U.S.C. 1228) Enacted August 21, 1974, P.L. 93–380, sec. 252, 88 Stat. 519.

Part C—General Requirements and Conditions Concerning the Operation and Administration of Education Programs; General Authority of the Commissioner of Education

APPLICABILITY

Sec. 421. The provisions of this part shall apply to any program for which the Commissioner has administrative responsibility, as specified by law or by delegation of authority pursuant to law.

(20 U.S.C. 1230) Enacted August 21, 1974, P.L. 93-380, sec. 507(a), 88 Stat. 565.

Subpart 1—General Authority

ADMINISTRATION OF EDUCATION PROGRAMS

Sec. 421A (a) The Commissioner is authorized to delegate any of his functions under any applicable program, except the making of regulations and the approval of State plans, to any officer or employee of the Office of Education.

(b) In administering any applicable program, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

(c)(1)(A)[1] Except in the case of a law which—

(i) authorizes appropriations for carrying out, or controls the administration of, an applicable program, or

(ii) is enacted in express limitation of the provisions of this paragraph,

no provision of any law shall be construed to authorize the consolidation of any applicable program with any other program. Where the provisions of law governing the administration of an applicable program permit the packaging or consolidation of applications for grants or contracts to attain simplicity or effectiveness of administration, nothing in this subparagraph shall be deemed to interfere with such packaging or consolidation.

(B) No provision of any law which authorizes an appropriation for carrying out, or controls the administration of, an applicable program shall be construed to authorize the consolidation of any such program with any other program unless provision for such a consolidation is expressly made thereby.

(C) For the purposes of this subsection, the term "consolidation" means any agreement, arrangement, or the other procedure which results in—

(i) the commingling of funds derived from one appropriation with those derived from another appropriation,

---

[1] Section 302(c) of P.L. 92-318 provides as follows:

(c) The provisions of section 421(c) of the General Education Provisions Act shall be effective upon the date of enactment of this Act. No provision of any law which is inconsistent with such section 421(c) shall be effective nor shall any such provision control to the extent of such inconsistency, unless such a law is enacted after the date of enactment of this Act.

(ii) the transfer of funds derived from an appropriation to the use of an activity not authorized by the law authorizing such appropriation,

(iii) the use of practices or procedures which have the effect of requiring, or providing for, the approval of an application for funds derived from different appropriations according to any criteria other than those for which provision is made (either expressly or implicitly) in the law which authorizes the appropriation of such funds, or this title, or

(iv) as a matter of policy the making of a grant or contract involving the use of funds derived from one appropriation dependent upon the receipt of a grant or contract involving the use of funds derived from another appropriation.

(2)(A) No requirement or condition imposed by a law authorizing appropriations for carrying out any applicable program, or controlling the administration thereof, shall be waived or modified, unless such a waiver or modification is expressly authorized by such law or by a provision of this title or by a law expressly limiting the applicability of this paragraph.

(B) There shall be no limitation on the use of funds appropriated to carry out any applicable program other than limitations imposed by the law authorizing the appropriation or a law controlling the administration of such program; nor shall any funds appropriated to carry out an applicable program be allotted, apportioned, allocated, or otherwise distributed in any manner or by any method different from that specified in the law authorizing the appropriation.

(3) No person holding office in the executive branch of the Government shall exercise any authority which would authorize or effect any activity prohibited by paragraph (1) or (2).

(4) The transfer of any responsibility, authority, power, duty, or obligation subject to this title, from the Commissioner to any other officer in the executive branch of the Government, shall not affect the applicability of this title with respect to any applicable program.

(20 U.S.C. 1231) Enacted April 13, 1970, P.L. 91–230, sec. 401(a)(10), 84 Stat. 166; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 321; subsection (c) added June 23, 1972, P.L. 92–318, sec. 302(a), 86 Stat. 332, 333; heading of sec. 421 redesignated June 23, 1972, P.L. 92–318, sec. 302(b), 86 Stat. 333; redesignated August 21, 1974, P.L. 93–380, sec. 507(a), 88 Stat. 565.

COLLECTION AND DISSEMINATION OF INFORMATION

SEC. 422. (a) The Commissioner shall—

(1) prepare and disseminate to State and local educational agencies and institutions information concerning applicable programs and cooperate with other Federal officials who administer programs affecting education in disseminating information concerning such programs;

(2) inform the public on federally supported education programs;

(3) collect data and information on applicable programs for the purpose of obtaining objective measurements of the effectiveness of such programs in achieving their purposes; and

(4) prepare and publish an annual report (to be referred to as "the Commissioner's annual report") on (A) the condition of education in the nation, (B) developments in the administration, utilization, and impact of applicable programs, (C) results of investigations and activities by the Office of Education, and (D) such facts and recommendations as will serve the purpose for which the Office of Education is established (as set forth in section 403 of this Act).

(b) The Commissioner's annual report shall be submitted to the Congress not later than March 31 of each calendar year. The Commissioner's annual report shall be made available to State and local educational agencies and other appropriate agencies and institutions and to the general public.

(c) The Commissioner is authorized to enter into contracts with public or private agencies, organizations, groups, or individuals to carry out the provisions of this section.

(20 U.S.C. 1231a) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 166; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326; amended June 23, 1972, P.L. 92-318, sec. 301(b)(2)(B), 86 Stat. 332.

CATALOG OF FEDERAL EDUCATION ASSISTANCE PROGRAMS

SEC. 423. The Commissioner shall prepare and make available in such form as he deems appropriate a catalog of all Federal education assistance programs whether or not such programs are administered by him. The catalog shall—

(1) identify each such program, and include the name of the program, the authorizing statute, the specific Federal administering officials, and a brief description of such program;

(2) set forth the availability of benefits and eligibility restrictions in each such program;

(3) set forth the budget requests for each such program, past appropriations, obligations incurred, and pertinent financial information indicating (A) the size of each such program for selected fiscal years, and (B) any funds remaining available;

(4) set forth the prerequisites, including the cost to the recipient of receiving assistance under each such program, and any duties required of the recipient after receiving benefits;

(5) identify appropriate officials, in Washington, District of Columbia, as well as in each State and locality (if applicable), to whom application or reference for information for each such program may be made;

(6) set forth the application procedures;

(7) contain a detailed index designed to assist the potential beneficiary in identifying all education assistance programs related to a particular need or category of potential beneficiaries;

(8) contain such other program information and data as the Commissioner deems necessary or desirable in order to assist the potential program beneficiary to understand and take advantage of each Federal education assistance program; and

(9) be transmitted to Congress with the Commissioner's annual report.

(20 U.S.C. 1231b) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 167; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326.

COMPILATION OF ASSISTED INNOVATIVE PROJECTS

SEC. 424. The Assistant Secretary shall publish annually a compilation of all innovative projects assisted under programs administered in the Education Division, including title III and part C of title IV of the Elementary and Secondary Education Act of 1965, in any year funds are used to carry out such programs. Such compilation shall be indexed according to subject, descriptive terms, and locations.

(20 U.S.C. 1231b–1) Enacted August 21, 1974, P.L. 93–380, sec. 508(a), 88 Stat. 565, 566.

REVIEW OF APPLICATIONS

SEC. 425. (a) In the case of any applicable program under which financial assistance is provided to (or through) a State educational agency to be expended in accordance with a State plan approved by the Commissioner, and in the case of the program provided for in title I of the Elementary and Secondary Education Act of 1965, any applicant or recipient aggrieved by the final action of the State educational agency, and alleging a violation of State or Federal law; rules, regulations, or guidelines governing the applicable program, in (1) disapproving or failing to approve its application or program in whole or part, (2) failing to provide funds in amounts in accord with the requirements of laws and regulations, or (3) terminating further assistance for an approved program, may within thirty days request a hearing. Within thirty days after it receives such a request, the State educational agency shall hold a hearing on the record and shall review such final action. No later than ten days after the hearing the State educational agency shall issue its written ruling, including reasons therefor. If it determines such final action was contrary to Federal or State law, or the rules, regulations, and guidelines, governing such applicable program it shall rescind such final action.

(b) Any applicant or recipient aggrieved by the failure of a State educational agency to rescind its final action after a review under such subsection (a) may appeal such action to the Commissioner. An appeal under this subsection may be taken only if notice of such appeal is filed with the Commissioner within twenty days after the applicant or recipient has been notified by the State educational agency of the results of its review under subsection (a). If, on such appeal, the Commissioner determines the final action of the State educational agency was contrary to Federal law, or the rules, regulations, and guidelines governing the applicable program, he shall issue an order to the State educational agency prescribing appropriate action to be taken by such agency. On such appeal, findings of fact of the State educational agency, if supported by substantial evidence, shall be final. The Commissioner may also issue such interim orders to State educational agencies as he may deem necessary and appropriate pending appeal or review.

(c) Each State educational agency shall make available at reasonable times and places to each applicant or recipient under a program to which this section applies all records of such agency pertaining to any review or appeal such applicant or recipient is conducting under this section, including records of other applicants.

(d) If any State educational agency fails or refuses to comply with any provision of this section, or with any order of the Commissioner under subsection (b), the Commissioner shall forthwith terminate all assistance to the State educational agency under the applicable program affected.

(20 U.S.C. 1231b–2) Enacted August 21, 1974, P.L. 93–380, sec. 508(a), 88 Stat. 566.

TECHNICAL ASSISTANCE

Sec. 426. (a) For the purpose of carrying out more effectively Federal education programs, the Commissioner is authorized, upon request, to provide advice, counsel, and technical assistance to State educational agencies, institutions of higher education, and, with the approval of the appropriate State educational agency, elementary and secondary schools—

(1) in determining benefits available to them under Federal law;

(2) in preparing applications for, and meeting requirements of applicable programs;

(3) in order to enhance the quality, increase the depth, or broaden the scope of activities under applicable programs; and

(4) in order to encourage simplification of applications, reports, evaluations, and other administrative procedures.

(b) The Commissioner shall permit local educational agencies to use organized and systematic approaches in determining cost allocation, collection, measurement, and reporting under any applicable program, if he determines (1) that the use of such approaches will not in any manner lessen the effectiveness and impact of such program in achieving purposes for which it is intended, (2) that the agency will use such procedures as will insure adequate evaluation of each of the programs involved, and (3) that such approaches are consistent with criteria prescribed by the Comptroller General of the United States for the purposes of audit. For the purpose of this subsection a cost is allocable to a particular cost objective to the extent of relative benefits received by such objective.

(c) The Commissioner's annual report shall contain a statement of the Commissioner's activities under this section.

(20 U.S.C. 1231c) Enacted April 13, 1970 P.L. 91-230, Title IV sec. 401(a)(10), 84 Stat. 167; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 326, redesignated August 21, 1974, P.L. 93–380, sec. 508(a), 88 Stat. 565.

PARENTAL INVOLVEMENT AND DISSEMINATION

Sec. 427. In the case of any applicable program in which the Commissioner determines that parental participation at the State or local level would increase the effectiveness of the program in achieving its purposes, he shall promulgate regulations with respect to such program setting forth criteria designed to encourage such participation. If the program for which such determination provides for payments to local educational agencies, applications for such payments shall—

(1) set forth such policies and procedures as will ensure that programs and projects assisted under the application have been planned and developed, and will be operated, in consultation with,

and with the involvement of parents of, the children to be served by such programs and projects;

(2) be submitted with assurance that such parents have had an opportunity to present their views with respect to the application; and

(3) set forth policies and procedures for adequate dissemination of program plans and evaluations to such parents and the public.

(20 U.S.C. 1231d) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 168; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 326; redesignated August 21, 1974, P.L. 93–380, sec. 508(a), 88 Stat. 565.

USE OF FUNDS WITHHELD FOR FAILURE TO COMPLY WITH OTHER PROVISIONS OF FEDERAL LAW

Sec. 428. At any time that the Commissioner establishes an entitlement, or makes an allotment or reallotment to any State, under any applicable program, he shall reduce such entitlement, allotment, or reallotment by such amount as he determines it would have been reduced, had the data on which the entitlement, allotment, or reallotment is based excluded all data relating to local educational agencies of the State which on the date of the Commissioner's action are ineligible to receive the Federal financial assistance involved because of a failure to comply with title VI of the Civil Rights Act of 1964. Any appropriated funds which will not be paid to a State as a result of the preceding sentence may be used by the Commissioner for grants to local educational agencies of that State in accordance with section 405 of the Civil Rights Act of 1964.

(20 U.S.C. 1231e) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 168; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 326; redesignated August 21, 1974, P.L. 93–380, sec. 508(a), 88 Stat. 565.

AUTHORIZATION TO FURNISH INFORMATION

Sec. 429. The Commissioner is authorized to transfer transcripts or copies of other records of the Office of Education to State and local officials, public and private organizations, and individuals.

(20 U.S.C. 1231f) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 168; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 326; amended August 21, 1974, P.L. 93–380, sec. 501(b), 88 Stat. 558; redesignated August 21, 1974, P.L. 93–380, sec. 508(a), 88 Stat. 565.

Subpart 2—Administration: Requirements and Limitations

RULES: REQUIREMENTS AND ENFORCEMENT

Sec. 431. (a) Rules, regulations, guidelines, or other published interpretations or orders issued by the Department of Health, Education, and Welfare or the Office of Education, or by any official of such agencies, in connection with, or affecting, the administration of any applicable program shall contain immediately following each substantive provision of such rules, regulations, guidelines, interpretations, or orders, citations to the particular section or sections of statutory law or other legal authority upon which such provision is based.

(b)(1) No standard, rule, regulation, or requirement of general applicability prescribed for the administration of any applicable program may take effect until thirty days after it is published in the Federal Register.

(2)(A) During the thirty-day period prior to the date upon which such standard, rule, regulation, or general requirement is to be effective, the Commissioner shall, in accordance with the provisions of section 553 of title 5, United States Code, offer any interested party an opportunity to make comment upon, and take exception to, such standard, rule, regulation, or general requirement and shall reconsider any such standard, rule, regulation, or general requirement upon which comment is made or to which exception is taken.

(B) If the Commissioner determines that the thirty-day requirement in paragraph (1) will cause undue delay in the implementation of a regulation, thereby causing extreme hardship for the intended beneficiaries of an applicable program, he shall notify the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate. If neither committee disagrees with the determination of the Commissioner within 10 days after such notice, the Commissioner may waive such requirement with respect to such regulation.

(c) All such rules, regulations, guidelines, interpretations, or orders shall be uniformly applied and enforced throughout the fifty States.

(d)(1) Concurrently with the publication in the Federal Register of any standard, rule, regulation, or requirement of general applicability as required in subsection (b) of this section, such standard, rule, regulation, or requirement shall be transmitted to the Speaker of the House of Representatives and the President of the Senate. Such standard, rule, regulation, or requirement shall become effective not less than forty-five days after such transmission unless the Congress shall, by concurrent resolution, find that the standard, rule, regulation, or requirement is inconsistent with the Act from which it derives its authority, and disapprove such standard, rule, regulation, or requirement.

(2) The forty-five-day period specified in paragraph (1) shall be deemed to run without interruption except during periods when either House is in adjournment sine die, in adjournment subject to the call of the Chair, or in adjournment to a day certain for a period of more than four consecutive days. In any such period of adjournment, the forty-five days shall continue to run, but if such period of adjournment is thirty calendar days, or less, the forty-five-day period shall not be deemed to have elapsed earlier than ten days after the end of such adjournment. In any period of adjournment which lasts more than thirty days, the forty-five-day period shall be deemed to have elapsed after thirty calendar days has elapsed, unless, during those thirty calendar days, either the Committee on Education and Labor of the House of Representatives, or the Committee on Labor and Public Welfare of the Senate, or both, shall have directed its chairman, in accordance with said committee's rules, and the rules of that House, to transmit to the appropriate department or agency head a formal statement of objection to the proposed standard, rule, regulation, or requirement. Such letter shall suspend the effective date of the stand-

ard, rule, regulation, or requirement until not less than twenty days after the end of such adjournment, during which the Congress may enact the concurrent resolution provided for in this subsection. In no event shall the standard, rule, regulation, or requirement go into effect until the forty-five-day period shall have elapsed, as provided for in this subsection, for both Houses of the Congress.

(e) Whenever a concurrent resolution of disapproval is enacted by the Congress under the provisions of this section, the agency which issued such standard, rule, regulation, or requirement may thereafter issue a modified standard, rule, regulation, or requirement to govern the same or substantially identical circumstances, but shall, in publishing such modification in the Federal Register and submitting it to the Speaker of the House of Representatives and the President of the Senate, indicate how the modification differs from the proposed standard, rule, regulation, or requirement of general applicability earlier disapproved, and how the agency believes the modification disposes of the findings by the Congress in the concurrent resolution of disapproval.

(f) For the purposes of subsections (d) and (e) of this section, activities under sections 404, 405, and 406 of this title, and under title IX of the Education Amendments of 1972 shall be deemed to be applicable programs.

(g) Not later than sixty days after the enactment of any part of any Act affecting the administration of any applicable program, the Commissioner shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a schedule in accordance with which the Commissioner has planned to promulgate rules, regulations, and guidelines implementing such Act or part of such Act. Such schedule shall provide that all such rules, regulations, and guidelines shall be promulgated within one hundred and eighty days after the submission of such schedule. Except as is provided in the following sentence, all such rules, regulations, and guidelines shall be promulgated in accordance with such schedule. If the Commissioner finds that, due to circumstances unforseen at the time of the submission of any such schedule, he cannot comply with a schedule submitted pursuant to this subsection, he shall notify such committees of such findings and submit a new schedule. If both such committees notify the Commissioner of their approval of such new schedule, such rules, regulations, and guidelines shall be promulgated in accordance with such new schedule.

(20 U.S.C. 1232) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 169; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326, amended August 21, 1974, P.L. 93-380, sec. 509(a), 88 Stat. 566, 568.

PROHIBITION AGAINST FEDERAL CONTROL OF EDUCATION

SEC. 432. No provision of the Act of September 30, 1950, Public Law 874, Eighty-first Congress; the National Defense Education Act of 1958; the Act of September 23, 1950, Public Law 815, Eighty-first Congress; the Higher Education Facilities Act of 1963; the Elementary and Secondary Education Act of 1965; the Higher Education Act of 1965; the International Education Act of 1966; the Emergency School Aid Act; or the Vocational Education Act of 1963 shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system, or to require the assignment or transportation of students or teachers in order to overcome racial imbalance.

(20 U.S.C. 1232a) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a) (10), 84 Stat. 169; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326; amended June 23, 1972, P.L. 92-318, sec. 717(b), 86 Stat. 369.

LABOR STANDARDS

SEC. 433. Except for emergency relief under section 7 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), all laboreres and mechanics employed by contractors or subcontractors on all construction and minor remodeling projects assisted under any applicable program shall be paid wages at rates not less than those prevailing on similar construction and minor remodeling in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(20 U.S.C. 1232b) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a) (10), 84 Stat. 169; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326.

ADMINISTRATION OF EDUCATION PROGRAMS AND PROJECTS

SEC. 434. (a)(1) Each recipient of Federal funds under any applicable program through any grant, subgrant, contract, subcontract, loan, or other arrangement entered into (other than by formal advertising) shall keep such records as the Assistant Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of five years after the completion of the project or undertaking to which reference is made in paragraph (1), have access, for the purpose of audit and examination, to any books, documents, papers, and records of such recipients which, in the opinion of the Comptroller General, after consultation with the Assistant Secretary, may be related, or pertinent to, the grants, subgrants, contracts, sub-

contracts, loans, or other arrangements to which reference is made in paragraph (1).

(b)(1)(A) In the case of any State which applies, contracts, or submits a plan, for participation in any applicable program in which Federal funds are made available for assistance to local educational agencies through, or under the supervision of the State educational agency of that State, such State shall submit to, and maintain on file with, the Commissioner a general application meeting the requirements of this subsection. Such general application shall (i) provide for the submission by the State and approval by the Commissioner of an annual program plan with respect to the particular programs in which the State desires to participate and (ii) provide assurances—

(I) that the State will, through its State educational agency, provide for such methods of administration as are necessary for the proper and efficient administration of the programs to which the general application applies;

(II) that the State will make provision for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the States under any applicable program;

(III) that the State will make provision for making such reports as the Commissioner may require to carry out his functions;

(IV) that the State will follow such policies and use such methods and practices of administration as will insure that non-Federal funds will not be supplanted by Federal funds; and

(V) that the State will submit to, and have approved by, the Commissioner an annual program plan in accordance with subparagraph (B).

(B) The annual program plan submitted by any State for any fiscal year with respect to any program to which this paragraph applies shall—

(i) be prepared and administered in a manner consistent with specific State plan requirements of the appropriate applicable statutes affecting the program for which the annual program plan is applicable;

(ii) set forth a statement describing the purposes for which Federal funds will be expended during the fiscal year for which the annual program plan is submitted; and

(iii) comply in all other respects with the specific requirements of the appropriate applicable statutes.

(2) In accordance with determinations and regulations of the Commissioner, the requirements of paragraph (1) shall be in lieu of comparable requirements for State plans in applicable statutes authorizing appropriations for programs to which paragraph (1) applies.

(3) In the case of any application for assistance under any applicable program to which paragraph (1) does not apply and with respect to which the Commissioner determines that this section would simplify the administration of an applicable program, each such application shall be submitted to the Commissioner at such time, in such

manner, and containing such information as the Commissioner shall prescribe by regulation and, as a precondition for approval, shall—

(A) provide for such methods of administration as are necessary for the proper and efficient administration of the program or project for which application is made;

(B) make provision for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under the application; and

(C) provide for making such reports as the Commissioner may require to carry out his functions.

(c) Whenever the Commissioner, after reasonable notice and an opportunity for hearing, finds that there has been a failure, by any recipient of funds under any applicable program, to comply substantially with the terms to which such recipient has agreed in order to receive such funds, the Commissioner shall notify such recipient that further payments will not be made to such recipient under that program until he is satisfied that such recipient no longer fails to comply with such terms. Until the Commissioner is so satisfied, no further payments shall be made to such recipient. Pending the outcome of any termination proceeding initiated under this paragraph, the Commissioner may suspend payments to such recipient, after such recipient has been given reasonable notice and opportunity to show cause why such action should not be taken.

(d)(1) If any State has submitted an application for funds under any applicable program under which appropriations for such program are, by the applicable statute, allotted or apportioned among the States or under which the State (or local educational agencies in that State) is entitled to a portion of an appropriation therefor and the Commissioner disapproves such application, or if the Commissioner withholds payments to a State under paragraph (1) of subsection (c), that State shall be entitled to judicial review of the actions of the Commissioner in accordance with the provisions of this paragraph.

(2)(A) If any State, under circumstances qualifying for judicial review under this paragraph, desires judicial review of the Commission's action, such State may, within sixty days of such action, file with the United States Court of Appeals for the circuit in which such State is located a petition for review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based the action brought under this division, as provided in section 2112 of title 28, United States Code.

(B) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(C) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(e) For the purposes of this section, the term "application" includes—

(1) an application for a grant;

(2) an offer to make a contract;

(3) a State plan for the administration of an applicable program;

(4) State assurances with respect to the administration of such a program; and

(5) any other methods for seeking Federal funds from the Commissioner of Education;

under which an agency, institution, organization, or other organized entity may become the recipient of Federal funds.

(20 U.S.C. 1232c) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 169; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 326; subsection (b) added June 23, 1972, P.L. 92–318, sec. 501, 86 Stat. 345; amended August 21, 1974, P.L. 93–380, sec. 510, 88 Stat. 568, 571.

PAYMENTS

SEC. 435. Payments pursuant to grants or contracts under any applicable program may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Commissioner may determine.

(20 U.S.C. 1232d) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 170; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 326.

AUTHORITY TO VEST TITLE TO EQUIPMENT

SEC. 436. The authority of the Commissioner of Education to make a grant to or contract with a local educational agency or State educational agency as such agencies are defined in sections 801(f) and 801(k) of the Elementary and Secondary Education Act of 1965, under any applicable program, shall include discretionary authority, whenever he determines that it would be in the public interest, to vest title to equipment purchased with grant or contract funds in such agency (or waive accountability to the United States for such equipment) without further obligation to the Government or on such terms or conditions as the Commissioner deems appropriate. The authority provided by this section shall be applicable to equipment purchased with funds provided by grants or contracts made on, before, or after the date of the enactment of this section.

(20 U.S.C. 1232e) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 170; renumbered June 23, 1972, P. L. 92–318, sec. 301(a)(1), 86 Stat. 326.

RESPONSIBILITY OF STATES TO FURNISH INFORMATION

SEC. 437. (a) The Commissioner shall require that each State submit to him, within sixty days after the end of any fiscal year, a report on the uses of Federal funds in that State under any applicable program for which the State is responsible for administration. Such report shall—

(1) list all grants and contracts made under such program to the local educational agencies and other public and private agencies and institutions within such State during such year;

(2) include the total amount of funds available to the State under each such program for such fiscal year and specify from which appropriation Act or Acts these funds were available;

(3) with respect to the second preceding fiscal year, include a compilation of reports from local educational agencies and other public and private agencies and institutions within such State which sets for the amount of such Federal funds received by each such agency and the purposes for which such funds were expended;

(4) with respect to such second preceding fiscal year, include a statistical report on the individuals served or affected by programs, projects, or activities assisted with such Federal funds; and

(5) be made readily available by the State to local educational agencies and other public and private agencies and institutions within the State, and to the public.

(b) On or before October 15 of each year, the Commissioner shall submit to the Committee on Labor and Public Welfare of the Senate and to the Committee on Education and Labor of the House of Representatives an analysis of these reports and a compilation of statistical data derived therefrom.

(20 U.S.C. 1232f) Enacted August 21, 1974, P.L. 93–380, sec. 512(a), 88 Stat. 571.

PROTECTION OF THE RIGHTS AND PRIVACY OF PARENTS AND STUDENTS [1]

SEC. 438. (a)(1)(A) No funds shall be made available under any applicable program to any educational agency or institution which has a policy of denying, or which effectively prevents, the parents of students who are or have been in attendance at a school of such agency or at such institution, as the case may be, the right to inspect and review the educational records of their children. If any material or document in the education record of a student includes information on more than one student, the parents of one of such students shall have the right to inspect and review only such part of such material or document as relates to such student or to be informed of the specific information contained in such part of such material. Each educational agency or institution shall establish appropriate procedures for the granting of a request by parents for access to the education records of their children within a reasonable period of time, but in no case more than forty-five days after the request has been made.

---

[1] **This section may be cited as the "Family Educational Rights and Privacy Act of 1974".**

(B) The first sentence of subparagraph (A) shall not operate to make available to students in institutions of postsecondary education the following materials:

(i) financial records of the parents of the student or any information contained therein;

(ii) confidential letters and statements of recommendation, which were placed in the education records prior to January 1, 1975, if such letters or statements are not used for purposes other than those for which they were specifically intended;

(iii) if the student has signed a waiver of the student's right of access under this subsection in accordance with subparagraph (C), confidential recommendations—

(I) respecting admission to any educational agency or institution.

(II) respecting an application for employment, and

(III) respecting the receipt of an honor or honorary recognition.

(C) A student or a person applying for admission may waive his right of access to confidential statements described in clause (iii) of subparagraph (B), except that such waiver shall apply to recommendations only if (i) the student is, upon request, notified of the names of all persons making confidential recommendations and (ii) such recommendations are used solely for the purposes for which they were specifically intended. Such waivers may not be required as a condition for admission to, receipt of financial aid from, or receipt of any other services or benefits from such agency or institution.

(2) No funds shall be made available under any applicable program to any educational agency or institution unless the parents of students who are or have been in attendance at a school of such agency or at such institution are provided an opportunity for a hearing by such agency or institution, in accordance with regulations of the Secretary, to challenge the content of such student's educational records, in order to insure that the records are not inaccurate, misleading, or otherwise in violation of the privacy or other rights of students, and to provide an opportunity for the correction or deletion of any such inaccurate, misleading, or otherwise inappropriate data contained therein and to insert into such records a written explanation of the parents respecting the content of such records.

(3) For the purposes of this section the term "educational agency or institution" means any public or private agency or institution which is the recipient of funds under any applicable program.

(4) (A) For the purposes of this section, the term "education records means, except as may be provided otherwise in subparagraph (B), those records, files, documents, and other materials, which—

(i) contain information directly related to a student; and

(ii) are maintained by an educational agency or institution, or by a person acting for such agency or institution.

(B) The term "education records" does not include—

(i) records of instructional, supervisory, and administrative personnel and educational personnel ancillary thereto which are in the sole possession of the maker thereof and which are not accessible or revealed to any other person except a substitute;

(ii) if the personnel of a law enforcement unit do not have access to education records under subsection (b)(1), the records and documents of such law enforcement unit which (I), are kept apart from records described in subparagraph (A), (II) are maintained solely for law enforcement purposes, and (III) are not made available to persons other than law enforcement officials of the same jurisdiction;

(iii) in the case of persons who are employed by an educational agency or institution but who are not in attendance at such agency or institution, records made and maintained in the normal course of business which relate exclusively to such person in that person's capacity as an employee and are not available for use for any other purpose; or

(iv) records on a student who is eighteen years of age or older, or is attending an institution of postsecondary education, which are made or maintained by a physician, psychiatrist, psychologist, or other recognized professional or paraprofessional acting in his professional or paraprofessional capacity, or assisting in that capacity, and which are made, maintained, or used only in connection with the provision of treatment to the student, and are not available to anyone other than persons providing such treatment, except that such records can be personally reviewed by a physician or other appropriate professional of the student's choice.

(5) (A) For the purposes of this section the term "directory information" relating to a student includes the following: the student's name, address, telephone listing, date and place of birth, major field of study, participation in officially recognized activities and sports, weight and height of members of athletic teams, dates of attendance, degrees and awards received, and the most recent previous educational agency or institution attended by the student.

(B) Any educational agency or institution making public directory information shall give public notice of the categories of information which it has designated as such information with respect to each student attending the institution or agency and shall allow a reasonable period of time after such notice has been given for a parent to inform the institution or agency that any or all of the information designated should not be released without the parent's prior consent.

(b)(1) No funds shall be made available under any applicable program to any educational agency or institution which has a policy or practice of permitting the release of education records (or personally identifiable information contained therein other than directory information, as defined in paragraph (5) of subsection (a)) of students without the written consent of their parents to any individual, agency, or organization, other than to the following—

(A) other school officials, including teachers within the educational institution or local educational agency, who have been determined by such agency or institution to have legitimate educational interests;

(B) officials of other schools or school systems in which the student seeks or intends to enroll, upon condition that the student's parents be notified of the transfer, receive a copy of the record if desired, and have an opportunity for a hearing to challenge the content of the record;

(C) authorized representatives of (i) the Comptroller General of the United States, (ii) the Secretary, (iii) an administrative head of an education agency (as defined in section 408(c), or (iv) State educational authorities, under the conditions set forth in paragraph (3) of this subsection;

(D) in connection with a student's application for, or receipt of, financial aid;

(E) State and local officials or authorities to whom such information is specifically required to be reported or disclosed pursuant to State statute adopted prior to November 19, 1974;

(F) organizations conducting studies for, or on behalf of, educational agencies or institutons for the purpose of developing, validating, or administering predictive tests, administering student aid programs, and improving instruction, if such studies are conducted in such a manner as will not permit the personal identification of students and their parents by persons other than representatives of such organizations and such information will be destroyed when no longer needed for the purpose for which it is conducted;

(G) accrediting organizations in order to carry out their accrediting functions;

(H) parents of a dependent student of such parents, as defined in section 152 of the Internal Revenue Code of 1954; and

(I) subject to regulations of the Secretary, in connection with an emergency, appropriate persons if the knowledge of such information is necessary to protect the health or safety of the student or other persons.

Nothing in clause (E) of this paragraph shall prevent a State from further limiting the number or type of State or local officials who will continue to have access thereunder.

(2) No funds shall be made available under any applicable program to any educational agency or institution which has a policy or practice of releasing, or providing access to, any personally identifiable information in education records other than directory information, or as is permitted under paragraph (1) of this subsection.

(A) there is written consent from the student's parents specifying records to be released, the reasons for such release, and to whom, and with a copy of the records to be released to the student's parents and the student if desired by the parents, or

(B) such information is furnished in compliance with judicial order, or pursuant to any lawfully issued subpoena, upon condition that parents and the students are notified of all such orders or subpoenas in advance of the compliance therewith by the educational institution or agency.

(3) Nothing contained in this section shall preclude authorized representatives of (A) the Comptroller General of the United States, (B) the Secretary, (C) an administrative head of an education agency or (D) State educational authorities from having access to student or other records which may be necessary in connection with the audit and evaluation of Federally-supported education program, or in connection with the enforcement of the Federal legal requirements which

relate to such programs: *Provided*, That except when collection of personally identifiable information is specifically authorized by Federal law, any data collected by such officials shall be protected in a manner which will not permit the personal identification of students and their parents by other than those officials, and such personally identifiable data shall be destroyed when no longer needed for such audit, evaluation, and enforcement of Federal legal requirements.

(4)(A) Each educational agency or institution shall maintain a record, kept with the education records of each student, which will indicate all individuals (other than those specified in paragraph (1)(A) of this subsection), agencies, or organizations which have requested or obtained access to a student's education records maintained by such educational agency or institution, and which will indicate specifically the legitimate interest that each such person, agency, or organization has in obtaining this information. Such record of access shall be available only to parents, to the school official and his assistants who are responsible for the custody of such records, and to persons or organizations authorized in, and under the conditions of, clauses (A) and (C) of paragraph (1) as a means of auditing the operation of the system.

(B) With respect to this subsection, personal information shall only be transferred to a third party on the condition that such party will not permit any other party to have access to such information without the written consent of the parents of the student.

(c) The Secretary shall adopt appropriate regulations to protect the rights of privacy of students and their families in connection with any surveys or data-gathering activities conducted, assisted, or authorized by the Secretary or an administrative head of an education agency. Regulations established under this subsection shall include provisions controlling the use, dissemination, and protection of such data. No survey or data-gathering activities shall be conducted by the Secretary, or an administrative head of an education agency under an applicable program, unless such activities are authorized by law.

(d) For the purposes of this section, whenever a student has attained eighteen years of age, or is attending an institution of postsecondary education the permission or consent required of and the rights accorded to the parents of the student shall thereafter only be required of and accorded to the student.

(e) No funds shall be made available under any applicable program to any educational agency or institution unless such agency or institution informs the parents of students, or the students, if they are eighteen years of age or older, or are attending an institution of postsecondary education, of the rights accorded them by this section.

(f) The Secretary, or an administrative head of an education agency, shall take appropriate actions to enforce provisions of this section and to deal with violations of this section, according to the provisions of this Act, except that action to terminate assistance may be taken only if the Secretary finds there has been a failure to comply with the provisions of this section, and he has determined that compliance cannot be secured by voluntary means.

(g) The Secretary shall establish or designate an office and review board within the Department of Health, Education, and Welfare for the purpose of investigating, processing, reviewing, and adjudicating violations of the provisions of this section and complaints which may be filed concerning alleged violations of this section. Except for the conduct of hearings, none of the functions of the Secretary under this section shall be carried out in any of the regional offices of such Department.

(20 U.S.C. 1232g) Enacted August 21, 1974, P.L. 93-380, sec. 513(a), 88 Stat. 571, 574; amended December 31, 1974, P.L. 93-568, sec. 2, 88 stat. 1858, 1860.

PROTECTION OF PUPIL RIGHTS

Sec. 439. All instructional material, including teacher's manuals, films, tapes, or other supplementary instructional material which will be used in connection with any research or experimentation program or project shall be available for inspection by the parents or guardians of the children engaged in such program or project. For the purpose of this section "research or experimentation program or project" means any program or project in any applicable program designed to explore or develop new or unproven teaching methods or techniques.

(20 U.S.C. 1232h) Enacted August 21, 1974, P.L. 93-380, sec. 514(a), 88 Stat. 574.

LIMITATION ON WITHHOLDING OF FEDERAL FUNDS

Sec. 440. Except as provided in section 438(b)(1)(D) of this Act, the refusal of a State or local educational agency or institution of higher education, community college, school, agency offering a preschool program, or other educational institution to provide personally identifiable data on students or their families, as a part of any applicable program, to any Federal office, agency, department, or other third party, on the grounds that it constitutes a violation of the right to privacy and confidentiality of students or their parents, shall not constitute sufficient grounds for the suspension or termination of Federal assistance. Such a refusal shall also not constitute sufficient grounds for a denial of, a refusal to consider, or a delay in the consideration of, funding for such a recipient in succeeding fiscal years. In the case of any dispute arising under this section, reasonable notice and opportunity for a hearing shall be afforded the applicant.

(20 U.S.C. 1232i) Enacted August 21, 1974, P.L. 93-380, sec. 515(a), 88 Stat. 574.

Part D—Advisory Councils

DEFINITIONS

Sec. 441. As used in this part, the term—

(1) "advisory council" means any committee, board, commission, council, or other similar group (A) established or organized pursuant to any applicable statute, or (B) established under the authority of section 442; but such term does not include State advisory councils or commissions established pursuant to any such statute;

(2) "statutory advisory council" means an advisory council established by, or pursuant to, statute to advise and make recom-

mendations with respect to the administration or improvement of an applicable program or other related matter;

(3) "nonstatutory advisory council" means an advisory council which is (A) established under the authority of section 442, or (B) established to advise and make recommendations with respect to the approval of applications for grants or contracts as required by statute;

(4) "Presidential advisory council" means a statutory advisory council, the members of which are appointed by the President;

(5) "Secretarial advisory council" means a statutory advisory council, the members of which are appointed by the Secretary;

(6) "Commissioner's advisory council" means a statutory advisory council, the members of which are appointed by the Commissioner;

(7) "applicable statute" means any statute (or title, part, or section thereof) which authorizes an applicable program or controls the administration of any such program.

(20 U.S.C. 1233) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 170; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326.

AUTHORIZATION FOR NECESSARY ADVISORY COUNCILS

SEC. 442. (a) The Commissioner is authorized to create, and appoint the members of, such advisory councils as he determines in writing to be necessary to advise him with respect to—

(1) the organization of the Office of Education and its conduct in the administration of applicable programs;

(2) recommendations for legislation regarding education programs and the means by which the educational needs of the Nation may be met; and

(3) special problems and areas of special interest in education.

(b) Each advisory council created under the authority of subsection (a) shall terminate not later than one year from the date of its creation unless the Commissioner determines in writing not more than thirty days prior to the expiration of such one year that its existence for an additional period, not to exceed one year, is necessary in order to complete the recommendations or reports for which it was created.

(c) The Commissioner shall include in his report submitted pursuant to section 448 a statement on all advisory councils created or extended under the authority of this section and their activities.

(20 U.S.C. 1233a) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 171; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326.

MEMBERSHIP AND REPORTS OF STATUTORY ADVISORY COUNCILS

SEC. 443. (a) Notwithstanding any other provision of law unless expressly in limitation of the provisions of this section, each statutory advisory council—

(1) shall be composed of the number of members provided by statute who may be appointed, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, and shall serve for terms of not to exceed three

years, which in the case of initial members, shall be staggered; and

(2) shall make an annual report of its activities, findings and recommendations to the Congress not later than March 31 of each calendar year, which shall be submitted with the Commissioner's annual report.

The Commissioner shall not serve as a member of any such advisory council.

(b) Where the President fails to appoint a member to fill a vacancy in the membership of a Presidential advisory council within sixty days after it occurs (or after the effective date of the statute creating such council), then the Secretary shall immediately appoint a member to fill such vacancy.

(20 U.S.C 1233b) Enacted April 13, 1970, PL. 91–230, Title IV, sec. 401(a) (10), 84 Stat. 171; renumbered June 23, 1972, P.L. 92–318, sec. 301(a) (1), 86 Stat. 326; amended August 21, 1974, P.L. 93–380, sec. 516(a), 88 Stat. 575.

COMPENSATION OF MEMBERS OF ADVISORY COUNCILS

SEC. 444. Members of all advisory councils to which this part is applicable who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the advisory council or otherwise engaged in the business of the advisory council, be entitled to receive compensation at a rate fixed by the Commissioner, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the advisory council away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(20 U.S.C. 1233c) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a) (10), 84 Stat. 171; renumbered June 23, 1972, P.L. 92–318, sec. 301(a) (1), 86 Stat. 326.

PROFESSIONAL, TECHNICAL, AND CLERICAL STAFF; TECHNICAL ASSISTANCE

SEC. 445. (a) Presidential advisory councils are authorized to appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, or otherwise obtain the services of, such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions, as prescribed by law.

(b) The Assistant Secretary shall engage such personnel and technical assistance as may be required to permit Secretarial and Assistant Secretary's advisory councils to carry out their function as prescribed by law.

(c) Subject to regulations of the Assistant Secretary, Presidential advisory councils are authorized to procure temporary and intermittent services of such personnel as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of such title.

(d) No employee of an advisory council, appointed and compensated pursuant to this section, shall be compensated at a rate in excess of that which such employee would receive if such employee were appointed subject to the appropriate provisions of title 5, United States Code, regarding appointments to, and compensation with respect to, the competitive service, except that—

(1) executive directors of Presidential advisory councils shall be compensated at the rate specified for employees placed in grade 18 of the General Schedule set forth in section 5332 of such title 5;

(2) executive directors of all other statutory advisory councils shall be compensated at the rate provided for employees in grade 15 of such General Schedule; and

(3) in accordance with regulations promulgated by the Assistant Secretary, other employees of advisory councils shall be compensated at such rates as may be necessary to enable such advisory councils to accomplish their purposes.

(20 U.S.C. 1233d) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 171; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326; amended August 21, 1974, P.L. 93-380, sec. 517(a), 88 Stat. 575.

MEETINGS OF ADVISORY COUNCILS

Sec. 446. (a) Each statutory advisory council shall meet at the call of the chairman thereof but not less than two times each year. Nonstatutory advisory councils shall meet in accordance with regulations promulgated by the Commissioner.

(b) Minutes of each meeting of each advisory council shall be kept and shall contain a record of the persons present, a description of matters discussed and conclusions reached, and copies of all reports received, issued, or approved by the advisory council. The accuracy of all minutes shall be certified to by the chairman of the advisory council.

(20 U.S.C. 1233e) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 172; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326.

AUDITING AND REVIEW OF ADVISORY COUNCIL ACTIVITIES

Sec. 447. (a) Each statutory advisory council shall be subject to such general regulations as the Commissioner may promulgate respecting the governance of statutory advisory councils and shall keep such records of its activities as will fully disclose the disposition of any funds which may be at its disposal and the nature and extent of its activities in carrying out its functions.

(b) The Comptroller General of the United States, or any of his duly authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of each advisory council which is subject to the operation of this part.

(20 U.S.C. 1233f) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 172; renumbered June 23, 1972, P.L. 92-318, sec. 301(a)(1), 86 Stat. 326; amended August 21, 1974, P.L. 93-380, sec. 517(b), 88 Stat. 575.

REPORT BY THE COMMISSIONER OF EDUCATION

SEC. 448. (a) Not later than March 31 of each calendar year after 1970, the Commissioner shall submit, as a part of the Commissioner's annual report, a report on the activities of the advisory councils which are subject to this part to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives. Such report shall contain, at least, a list of all such advisory councils, the names and affiliations of their members, a description of the function of each advisory council, and a statement of the dates of the meetings of each such advisory council.

(b) If the Commissioner determines that a statutory advisory council is not needed or that the functions of two or more statutory advisory councils should be combined, he shall include in the report a recommendation that such advisory council be abolished or that such functions be combined. Unless there is an objection to such action by either the Senate or the House of Representatives within ninety days after the submission of such report, the Commissioner is authorized to abolish such advisory council or combine the functions of two or more advisory councils as recommended in such report.

(20 U.S.C. 1233g) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a) (10), 84 Stat. 172; renumbered June 23, 1972, P.L. 92–318, sec. 301(a)(1), 86 Stat. 326.

RELATION TO OTHER LAWS

SEC. 449. (a) No provision of any law establishing, authorizing the establishment of, or controlling the operation of, an advisory council which is not consistent with the provisions of this part shall apply to any advisory council to which this part applies.

(b) The provisions of subsections (e) and (f) of section 10 of the Federal Advisory Committee Act shall not apply to Presidential advisory councils (as defined in section 441).

(20 U.S.C. 1233h) Enacted August 21, 1974, P.L. 93–380, sec. 518(a), 88 Stat. 575.

CIVIL RIGHTS ACT OF 1964

(P.L. 88–352)

TITLE IV—DESEGREGATION OF PUBLIC EDUCATION

DEFINITIONS

SEC. 401. As used in this title—

(a) "Commissioner" means the Commissioner of Education.

(b) "Desegregation" means the assignment of students to public schools and within such schools without regard to their race, color, religion, sex, or national origin, but "desegregation" shall not mean the assignment of students to public schools in order to overcome racial imbalance.

(c) "Public school" means any elementary or secondary educational institution, and "public college" means any institution of higher education or any technical or vocational school above the secondary school level, provided that such public school or public college is operated by a State, subdivision of a State, or governmental agency within a State, or operated wholly or predominantly from or through the use of governmental funds or property, or funds or property derived from a governmental source.

(d) "School board" means any agency or agencies which administer a system of one or more public schools and any other agency which is responsible for the assignment of students to or within such system.

SURVEY AND REPORT OF EDUCATIONAL OPPORTUNITIES

SEC. 402. The Commissioner shall conduct a survey and make a report to the President and the Congress, within two years of the enactment of this title, concerning the lack of availability of equal educational opportunities for individuals by reason of race, color, religion, or national origin in public educational institutions at all levels in the United States, its territories and possessions, and the District of Columbia.

TECHNICAL ASSISTANCE

SEC. 403. The Commissioner is authorized, upon the application of any school board, State, municipality, school district, or other governmental unit legally responsible for operating a public school or schools, to render technical assistance to such applicant in the preparation, adoption, and implementation of plans for the desegregation of public schools. Such technical assistance may, among other activities, include making available to such agencies information regarding effective methods of coping with special educational problems occasioned by desegregation, and making available to such agencies personnel of the Office of Education or other persons specially equipped to advise and assist them in coping with such problems.

TRAINING INSTITUTES

SEC. 404. The Commissioner is authorized to arrange, through grants or contracts, with institutions of higher education for the operation of short-term or regular session institutes for special training designed to improve the ability of teachers, supervisors, counselors, and other elementary or secondary school personnel to deal effectively with special educational problems occasioned by desegregation. Individuals who attend such an institute on a full-time basis may be paid stipends for the period of their attendance at such institute in amounts specified by the Commissioner in regulations, including allowances for travel to attend such institute.

GRANTS

SEC. 405. (a) The Commissioner is authorized, upon application of a school board, to make grants to such board to pay, in whole or in part, the cost of—

(1) giving to teachers and other school personnel inservice training in dealing with problems incident to desegregation, and

(2) employing specialists to advise in problems incident to desegregation.

(b) In determining whether to make a grant, and in fixing the amount thereof and the terms and conditions on which it will be made, the Commissioner shall take into consideration the amount available for grants under this section and the other applications which are pending before him; the financial condition of the applicant and the other resources available to it; the nature, extent, and gravity of its problems incident to desegregation; and such other factors as he finds relevant.

PAYMENTS

SEC. 406. Payments pursuant to a grant or contract under this title may be made (after necessary adjustments on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments, as the Commissioner may determine.

SUITS BY THE ATTORNEY GENERAL

SEC. 407. (a) Whenever the Attorney General receives a complaint in writing—

(1) signed by a parent or group of parents to the effect that his or their minor children, as members of a class of persons similarly situated, are being deprived by a school board of the equal protection of the laws, or

(2) signed by an individual, or his parent, to the effect that he has been denied admission to or not permitted to continue in attendance at a public college by reason of race, color, religion, sex, or national origin

and the Attorney General believes the complaint is meritorious and certifies that the signer or signers of such complaint are unable, in his judgment, to initiate and maintain appropriate legal proceedings for relief and that the institution of an action will materially further the orderly achievement of desegregation in public education, the Attorney General is authorized, after giving notice of such complaint to the appropriate school board or college authority and after certifying that he is satisfied that such board or authority has had a reasonable time to adjust the conditions alleged in such complaint, to institute for or in the name of the United States a civil action in any appropriate district court of the United States against such parties and for such relief as may be appropriate, and such court shall have and shall exercise jurisdiction of proceedings instituted pursuant to this section, provided that nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance, or otherwise enlarge the existing power of the court to insure compliance with constitutional standards. The Attorney General may implead as defendants such additional parties as are or become necessary to the grant of effective relief hereunder.

(b) The Attorney General may deem a person or persons unable to initiate and maintain appropriate legal proceedings within the meaning of subsection (a) of this section when such person or persons are unable, either directly or through other interested persons or organizations, to bear the expense of the litigation or to obtain effective legal representation; or whenever he is satisfied that the institution of such litigation would jeopardize the personal safety, employment, or economic standing of such person or persons, their families, or their property.

(c) The term "parent" as used in this section includes any person standing in loco parentis. A "complaint" as used in this section is a writing or document within the meaning of section 1001, title 18, United States Code.

SEC. 408. In any action or proceeding under this title the United States shall be liable for costs the same as a private person.

SEC. 409. Nothing in this title shall affect adversely the right of any person to sue for or obtain relief in any court against discrimination in public education.

SEC. 410. Nothing in this title shall prohibit classification and assignment for reasons other than race, color, religion, sex, or national origin.

(42 U.S.C. 2000c–2000c-9) Enacted July 2, 1964, P.L. 88–352, Title IV, 78 Stat. 246; amended June 23, 1972, P.L. 92–318, sec. 906(a), 86 Stat. 375.

CIVIL RIGHTS ACT OF 1964

(P.L. 88–352)

TITLE VI—NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS

SEC. 601. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

SEC. 602. Each Federal department and agency which is empowered to extend Federal financial assistance to any program or activity, by way of grant, loan, or contract other than a contract of insurance or guaranty, is authorized and directed to effectuate the provisions of section 601 with respect to such program or activity by issuing rules, regulations, or orders of general applicability which shall be consistent with achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken. No such rule, regulation, or order shall become effective unless and until approved by the President. Compliance with any requirement adopted pursuant to this section may be effected (1) by the termination of or refusal to grant or to continue assistance under such program or activity to any recipient as to whom there has been an express finding on the record, after opportunity for hearing, of a failure to comply with such requirement, but such termination or refusal shall be limited to the particular political entity, or part thereof, or other recipient as to whom such a finding has been made and, shall be limited in its effect to the particular program, or part thereof, in which such noncompliance has been so found, or (2) by any other means authorized by law: *Provided, however*, That no such action shall be taken until the department or agency concerned has advised the appropriate person or persons of the failure to comply with the requirement and has determined that compliance cannot be secured by voluntary means.

In the case of any action terminating, or refusing to grant or continue, assistance because of failure to comply with a requirement imposed pursuant to this section, the head of the Federal department or agency shall file with the committees of the House and Senate having legislative jurisdiction over the program or activity involved a full written report of the circumstances and the grounds for such action. No such action shall become effective until thirty days have elapsed after the filing of such report.

SEC. 603. Any department or agency action taken pursuant to section 602 shall be subject to such judicial review as may otherwise be provided by law for similar action taken by such department or agency on other grounds. In the case of action, not otherwise subject to judicial review, terminating or refusing to grant or to continue financial assistance upon a finding of failure to comply with any requirement imposed pursuant to section 602, any person aggrieved (including any State or political subdivision thereof and any agency of either) may obtain judicial review of such action in accordance with section 10 of the Administrative Procedure Act, and such action shall not be deemed committed to unreviewable agency discretion within the meaning of that section.

SEC. 604. Nothing contained in this title shall be construed to authorize action under this title by any department or agency with respect to any employment practice of any employer, employment agency, or labor organization except where a primary objective of the Federal financial assistance is to provide employment.

SEC. 605. Nothing in this title shall add to or detract from any existing authority with respect to any program or activity under which Federal financial assistance is extended by way of a contract of insurance or guaranty.

(42 U.S.C. 2000d–2000d-4) Enacted July 2, 1964, P.L. 88–352, Title VI, 78 Stat. 252.

EDUCATION AMENDMENTS OF 1972

* * * * *

TITLE VIII—GENERAL PROVISIONS RELATING TO THE ASSIGNMENT OR TRANSPORTATION OF STUDENTS[1]

PROHIBITION AGAINST ASSIGNMENT OR TRANSPORTATION OF STUDENTS TO OVERCOME RACIAL IMBALANCE

SEC. 801. No provision of this Act shall be construed to require the assignment or transportation of students or teachers in order to overcome racial imbalance.

(20 U.S.C. 1651) Enacted June 23, 1972, P.L. 92–318, sec. 801, 86 Stat. 371.

PROHIBITION AGAINST USE OF APPROPRIATED FUNDS FOR BUSING

SEC. 802(a). No funds appropriated for the purpose of carrying out any applicable program may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system, except on the express written voluntary request of appropriate local school officials. No such funds shall be made available for transportation when the time or distance of travel is so great as to risk the health of the children or significantly impinge on the educational process of such children, or where the educational opportunities available at the school to which it is proposed that any such student be transported will be substantially inferior to those opportunities offered at the school to which such student would otherwise be assigned under a nondiscriminatory system of school assignments based on geographic zones established without discrimination on account of race, religion, color, or national origin.

---

[1] Title VIII of P.L. 92–318.

(b) No officer, agent, or employee of the Department of Health, Education, and Welfare (including the Office of Education), the Department of Justice, or any other Federal agency shall, by rule, regulation, order, guideline, or otherwise (1) urge, persuade, induce, or require any local education agency, or any private nonprofit agency, institution, or organization to use any funds derived from any State or local sources for any purpose, unless constitutionally required, for which Federal funds appropriated to carry out any applicable program may not be used, as provided in this section, or (2) condition the receipt of Federal funds under any Federal program upon any action by any State or local public officer or employee which would be prohibited by clause (1) on the part of a Federal officer or employee. No officer, agent, or employee of the Department of Health, Education, and Welfare (including the Office of Education) or any other Federal agency shall urge, persuade, induce, or require any local education agency to undertake transportation of any student where the time or distance of travel is so great as to risk the health of the child or significantly impinge on his or her educational process; or where the educational opportunities available at the school to which it is proposed that such student be transported will be substantially inferior to those offered at the school to which such student would otherwise be assigned under a nondiscriminatory system of school assignments based on geographic zones established without discrimination on account of race, religion, color, or national origin.

(c) An applicable program means a program to which the General Education Provisions Act applies.

(20 U.S.C. 1652) Enacted June 23, 1972, P.L. 92–318, sec. 802, 86 Stat. 371, 372.

PROVISION RELATING TO COURT APPEALS

SEC. 803. Notwithstanding any other law or provision of law, in the case of any order on the part of any United States district court which requires the transfer or transport of any student or students from any school attendance area prescribed by competent State or local authority for the purposes of achieving a balance among students with respect to race, sex, religion, or socioeconomic status, the effectiveness of such order shall be postponed until all appeals in connection with such order have been exhausted or, in the event no appeals are taken, until the time for such appeals has expired. This section shall expire at midnight on January 1, 1974.

(20 U.S.C. 1653) Enacted June 23, 1972, P.L. 92–318, sec. 803, 86 Stat. 372.

PROVISION AUTHORIZING INTERVENTION IN COURT ORDERS

SEC. 804. A parent or guardian of a child, or parents or guardians of children similarly situated, transported to a public school in accordance with a court order, may seek to reopen or intervene in the further implementation of such court order, currently in effect, if the time or distance of travel is so great as to risk the health of the student or significantly impinge on his or her educational process.

(20 U.S.C. 1654) Enacted June 23, 1972, P.L. 92–318, sec. 804, 86 Stat. 372.

PROVISION REQUIRING THAT RULES OF EVIDENCE BE UNIFORM

SEC. 805. The rules of evidence required to prove that State or local authorities are practicing racial discrimination in assigning students to public schools shall be uniform throughout the United States.

(20 U.S.C. 1655) Enacted June 23, 1972, P.L. 92–318, sec. 805, 86 Stat. 372.

APPLICATION OF PROVISO OF SECTION 407(a) OF THE CIVIL RIGHTS ACT OF 1964 TO THE ENTIRE UNITED STATES

SEC. 806. The proviso of section 407(a) of the Civil Rights Act of 1964 providing in substance that no court or official of the United States shall be empowered to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance, or otherwise enlarge the existing power of the court to insure compliance with constitutional standards shall apply to all public school pupils and to every public school system, public school and public school board, as defined by title IV, under all circumstances and conditions and at all times in every State, district, territory, Commonwealth, or possession of the United States regardless of whether the residence of such public school pupils or the principal offices of such public school system, public school or public school board is situated in the northern, eastern, western, or southern part of the United States.

(20 U.S.C. 1656) Enacted June 23, 1972, P.L. 92–318, sec. 806, 86 Stat. 373.

TITLE IX—PROHIBITION OF SEX DISCRIMINATION[1]

SEX DISCRIMINATION PROHIBITED

SEC. 901. (a) No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance, except that:

(1) in regard to admissions to educational institutions, this section shall apply only to institutions of vocational education, professional education, and graduate higher education, and to public institutions of undergraduate higher education;

---

[1] Title IX of P.L. 92–318.

(2) in regard to admissions to educational institutions, this section shall not apply (A) for one year from the date of enactment of this Act, nor for six years after such date in the case of an educational institution which has begun the process of changing from being an institution which admits only students of one sex to being an institution which admits students of both sexes, but only if it is carrying out a plan for such a change which is approved by the Commissioner of Education or (B) for seven years from the date an educational institution begins the process of changing from being an institution which admits only students of only one sex to being an institution which admits students of both sexes, but only if it is carrying out a plan for such a change which is approved by the Commissioner of Education, whichever is the later;

(3) this section shall not apply to an educational institution which is controlled by a religious organization if the application of this subsection would not be consistent with the religious tenets of such organization;

(4) this section shall not apply to an educational institution whose primary purpose is the training of individuals for the military services of the United States, or the merchant marine; and

(5) in regard to admissions this section shall not apply to any public institution of undergraduate higher education which is an institution that traditionally and continually from its establishment has had a policy of admitting only students of one sex.

(b) Nothing contained in subsection (a) of this section shall be interpreted to require any educational institution to grant preferential or disparate treatment to the members of one sex on account of an imbalance which may exist with respect to the total number or percentage of persons of that sex participating in or receiving the benefits of any federally supported program or activity, in comparison with the total number or percentage of persons of that sex in any community, State, section, or other area: *Provided*, That this subsection shall not be construed to prevent the consideration in any hearing or proceeding under this title of statistical evidence tending to show that such an imbalance exists with respect to the participation in, or receipt of the benefits of, any such program or activity by the members of one sex.

(c) For purposes of this title an educational institution means any public or private preschool, elementary, or secondary school, or any institution of vocational, professional, or higher education, except that in the case of an educational institution composed of more than one school, college, or department which are administratively separate units, such term means each such school, college, or department.

(20 U.S.C. 1681) Enacted June 23, 1972, P.L. 92–318, sec. 901, 86 Stat. 373, 374.

FEDERAL ADMINISTRATIVE ENFORCEMENT

SEC. 902. Each Federal department and agency which is empowered to extend Federal financial assistance to any education program or activity, by way of grant, loan, or contract other than a contract of insurance or guaranty, is authorized and directed to effectuate the provisions of section 901 with respect to such program or activity by issuing rules, regulations, or orders of general applicability which shall be consistent with achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken. No such rule, regulation, or order shall become effective unless and until approved by the President. Compliance with any requirement adopted pursuant to this section may be effected (1) by the termination of or refusal to grant or to continue assistance under such program or activity to any recipient as to whom there has been an express finding on the record, after opportunity for hearing, of a failure to comply with such requirement, but such termination or refusal shall be limited to the particular political entity, or part thereof, or other recipient as to whom such a finding has been made, and shall be limited in its effect to the particular program, or part thereof, in which such noncompliance has been so found, or (2) by any other means authorized by law: *Provided, however*, That no such action shall be taken until the department or agency concerned has advised the appropriate person or persons of the failure to comply with the requirement and has determined that compliance cannot be secured by voluntary means. In the case of any action terminating, or refusing to grant or continue, assistance because of failure to comply with a requirement imposed pursuant to this section, the head of the Federal department or agency shall file with the committees of the House and Senate having legislative jurisdiction over the program or activity involved a full written report of the circumstances and the grounds for such action. No such action shall become effective until thirty days have elapsed after the filing of such report.

(20 U.S.C. 1682) Enacted June 23, 1972, P.L. 92–318, sec. 902, 86 Stat. 374.

JUDICIAL REVIEW

SEC. 903. Any department or agency action taken pursuant to section 1002 [1] shall be subject to such judicial review as may otherwise be provided by law for similar action taken by such department or agency on other grounds. In the case of action, not otherwise subject to judicial review, terminating or refusing to grant or to continue financial assistance upon a finding of failure to comply with any requirement imposed pursuant to section 902, any person aggrieved (including any State or political subdivision thereof and any agency of either) may obtain judicial review of such action in accordance with chapter 7 of title 5, United States Code, and such action shall not be deemed committed to unreviewable agency discretion within the meaning of section 701 of that title.

(20 U.S.C. 1683) Enacted June 23, 1972, P.L. 92–318, sec. 903, 86 Stat. 374, 375.

PROHIBITION AGAINST DISCRIMINATION AGAINST THE BLIND

SEC. 904. No person in the United States shall, on the ground of blindness or severely impaired vision, be denied admission in any course of study by a recipient of Federal financial assistance for any educational program or activity, but nothing herein shall be construed to require any such institution to provide any special services to such person because of his blindness or visual impairment.

---

[1] Apparent error; should be 902.

(20 U.S.C. 1684) Enacted June 23, 1972, P.L. 92–318, sec. 904, 86 Stat. 375.

EFFECT ON OTHER LAWS

SEC. 905 Nothing in this title shall add to or detract from any existing authority with respect to any program or activity under which Federal financial assistance is extended by way of a contract of insurance or guaranty.

(20 U.S.C. 1685) Enacted June 23, 1972, P.L. 92–318, sec. 905, 86 Stat. 375.

(SEC. 906 makes conforming amendments to other provisions of law.)

INTERPRETATION WITH RESPECT TO LIVING FACILITIES

SEC. 907. Notwithstanding anything to the contrary contained in this title, nothing contained herein shall be construed to prohibit any educational institution receiving funds under this Act, from maintaining separate living facilities for the different sexes.

(20 U.S.C. 1686) Enacted June 23, 1972, P.L. 92–318, sec. 907, 86 Stat. 375.

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1966

(P.L. 89–750)

AN ACT To strengthen and improve programs of assistance for elementary and secondary schools, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Elementary and Secondary Education Amendments of 1966".

TITLE I—AMENDMENT TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

* * * * * * *

PART H—RACIAL IMBALANCE AND COMPLIANCE WITH CIVIL RIGHTS ACT OF 1964

* * * * * * *

COMPLIANCE WITH CIVIL RIGHTS ACT OF 1964

SEC. 182. The Commissioner of Education shall not defer action or order action deferred on any application by a local educational agency for funds authorized to be appropriated by this Act, by the Elementary and Secondary Education Act of 1965, by the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), by the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), or by the Cooperative Research Act, on the basis of alleged noncompliance with the provisions of title VI of the Civil Rights Act of 1964 for more than sixty days after notice is given to such local agency of such deferral unless such local agency is given the opportunity for a hearing as provided in section 602 of title VI of the Civil Rights Act of 1964, such hearing to be held within sixty days of such notice, unless the time for such hearing is extended by mutual consent of such local agency and the Commissioner, and such deferral shall not continue for more than thirty days after the close of any such hearing unless there has been an express finding on the record of such hearing that such local educational agency has failed to comply with the provisions of title VI of the Civil Rights Act of 1964: *Provided*, That, for the purpose of determining whether a local educational agency is in compliance with title VI of the Civil Rights Act of 1964 (Public Law 88–352), compliance by such agency with a final order or judgment of a Federal court for the desegregation of the school or school system operated by such agency shall be deemed to be compliance with such title VI, insofar as the matters covered in the order or judgment are concerned.

(42 U.S.C. 2000d–5) Enacted Nov. 3, 1966, P.L. 89–750, 80 Stat. 1209; amended Jan. 2, 1968, P.L. 90–247, Title I, sec. 112, 81 Stat. 1787.

* * * * * * *

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1969

(P.L. 91–230)

AN ACT To extend programs of assistance for elementary and secondary education and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

POLICY WITH RESPECT TO THE APPLICATION OF CERTAIN PROVISIONS OF FEDERAL LAW

SEC. 2. (a) It is the policy of the United States that guidelines and criteria established pursuant to title VI of the Civil Rights Act of 1964 and section 182 of the Elementary and Secondary Education Amendments of 1966 dealing with conditions of segregation by race, whether de jure or de facto, in the schools of the local educational agencies of any State shall be applied uniformly in all regions of the United States whatever the origin or cause of such segregation.

(b) Such uniformity refers to one policy applied uniformly to de jure segregation wherever found and such other policy as may be provided pursuant to law applied uniformly to de facto segregation wherever found.

(c) Nothing in this section shall be construed to diminish the obligation of responsible officials to enforce or comply with such guidelines and criteria in order to eliminate discrimination in federally assisted programs and activities as required by title VI of the Civil Rights Act of 1964.

(d) It is the sense of the Congress that the Department of Justice and the Department of Health, Education, and Welfare should request such additional funds as may be necessary to apply the policy set forth in this section throughout the United States.

Enacted April 13, 1970, P.L. 91–230, sec. 2, 84 Stat. 121.

TITLE II—EQUAL EDUCATIONAL OPPORTUNITIES AND THE TRANSPORTATION OF STUDENTS[1]

SHORT TITLE

SEC. 201. This title may be cited as the "Equal Educational Opportunities Act of 1974".

PART A—EQUAL EDUCATIONAL OPPORTUNITIES

Subpart 1—Policy and Purpose

DECLARATION OF POLICY

SEC. 202. (a) The Congress declares it to be the policy of the United States that—

(1) all children enrolled in public schools are entitled to equal educational opportunity without regard to race, color, sex, or national origin; and

(2) the neighborhood is the appropriate basis for determining public school assignments.

(b) In order to carry out this policy, it is the purpose of this part to specify appropriate remedies for the orderly removal of the vestiges of the dual school system.

(20 U.S.C. 1701) Enacted August 21, 1974, P.L. 93–380, sec. 202, 88 Stat. 514.

FINDINGS

SEC. 203. (a) The Congress finds that—

(1) the maintenance of dual school systems in which students are assigned to schools solely on the basis of race, color, sex, or national origin denies to those students the equal protection of the laws guaranteed by the fourteenth amendment;

(2) for the purpose of abolishing dual school systems and eliminating the vestiges thereof, many local educational agencies have been required to reorganize their school systems, to reassign students, and to engage in the extensive transportation of students;

(3) the implementation of desegregation plans that require extensive student transportation has, in many cases, required local educational agencies to expend large amount of funds, thereby depleting their financial resources available for the maintenance or improvement of the quality of educational facilities and instruction provided;

(4) transportation of students which creates serious risks to their health and safety, disrupts the educational process carried

---

[1] Title II of P.L. 93–380.

out with respect to such students, and impinges significantly on their educational opportunity, is excessive;

(5) the risks and harms created by excessive transportation are particularly great for children enrolled in the first six grades; and

(6) the guidelines provided by the courts for fashioning remedies to dismantle dual school systems have been, as the Supreme Court of the United States has said, "incomplete and imperfect," and have not established, a clear, rational, and uniform standard for determining the extent to which a local educational agency is required to reassign and transport its students in order to eliminate the vestiges of a dual school system.

(b) For the foregoing reasons, it is necessary and proper that the Congress, pursuant to the powers granted to it by the Constitution of the United States, specify appropriate remedies for the elimination of the vestiges of dual school systems, except that the provisions of this title are not intended to modify or diminish the authority of the courts of the United States to enforce fully the fifth and fourteenth amendments to the Constitution of the United States.

(20 U.S.C. 1702) Enacted August 21, 1974, P.L. 93–380, sec. 203, 88 Stat. 514, 515.

Subpart 2—Unlawful Practices

DENIAL OF EQUAL EDUCATIONAL OPPORTUNITY PROHIBITED

SEC. 204. No State shall deny equal educational opportunity to an individual on account of his or her race, color, sex, or national origin, by—

(a) the deliberate segregation by an educational agency of students on the basis of race, color, or national origin among or within schools;

(b) the failure of an educational agency which has formerly practiced such deliberate segregation to take affirmative steps, consistent with subpart 4 of this title, to remove the vestiges of a dual school system;

(c) the assignment by an educational agency of a student to a school, other than the one closest to his or her place of residence within the school district in which he or she resides, if the assignment results in a greater degree of segregation of students on the basis of race, color, sex, or national origin among the schools of such agency than would result if such student were assigned to the school closest to his or her place of residence within the school district of such agency providing the appropriate grade level and type of education for such student;

(d) discrimination by an educational agency on the basis of race, color, or national origin in the employment, employment conditions, or assignment to schools of its faculty or staff, except to fulfill the purposes of subsection (f) below;

(e) the transfer by an educational agency, whether voluntary or otherwise, of a student from one school to another if the purpose and effect of such transfer is to increase segregation of students on the basis of race, color, or national origin among the schools of such agency; or

(f) the failure by an educational agency to take appropriate action to overcome language barriers that impede equal participation by its students in its instructional programs.

(20 U.S.C. 1703) Enacted August 21, 1974, P.L. 93–380, sec. 204, 88 Stat. 515.

BALANCE NOT REQUIRED

SEC. 205. The failure of an educational agency to attain a balance, on the basis of race, color, sex, or national origin, of students among its schools shall not constitute a denial of equal educational opportunity, or equal protection of the laws.

(20 U.S.C. 1704) Enacted August 21, 1974, P.L. 93–380, sec. 205, 88 Stat. 515.

ASSIGNMENT ON NEIGHBORHOOD BASIS NOT A DENIAL OF EQUAL EDUCATIONAL OPPORTUNITY

SEC. 206. Subject to the other provisions of this part, the assignment by an educational agency of a student to the school nearest his place of residence which provides the appropriate grade level and type of education for such student is not a denial of equal educational opportunity or of equal protection of the laws unless such assignment is for the purpose of segregating students on the basis of race, color, sex, or national origin, or the school to which such student is assigned was located on its site for the purpose of segregating students on such basis.

(20 U.S.C. 1705) Enacted August 21, 1974, P.L. 93–380, sec. 206, 88 Stat. 515, 516.

Subpart 3—Enforcement

CIVIL ACTIONS

SEC. 207. An individual denied an equal educational opportunity, as defined by this part may institute a civil action in an appropriate district court of the United States against such parties, and for such relief, as may be appropriate. The Attorney General of the United States (hereinafter in this title referred to as the "Attorney General"), for or in the name of the United States, may also institute such a civil action on behalf of such an individual.

(20 U.S.C. 1706) Enacted August 21, 1974, P.L. 93–380, sec. 207, 88 Stat. 516.

EFFECT OF CERTAIN POPULATION CHANGES ON CERTAIN ACTIONS

SEC. 208. When a court of competent jurisdiction determines that a school system is desegregated, or that it meets the constitutional requirements, or that it is a unitary system, or that it has no vestiges of a dual system, and thereafter residential shifts in population occur which result in school population changes in any school within such a desegregated school system, such school population changes so occurring shall not, per se, constitute a cause for civil action for a new plan of desegregation or for modification of the court approved plan.

(20 U.S.C. 1707) Enacted August 21, 1974, P.L. 93–380, sec. 208, 88 Stat 516.

JURISDICTION OF DISTRICT COURTS

SEC. 209. The appropriate district court of the United States shall have and exercise jurisdiction of proceedings instituted under section 207.

(20 U.S.C. 1708) Enacted August 21, 1974, P.L. 93–380, sec. 209, 88 Stat. 516.

INTERVENTION BY ATTORNEY GENERAL

SEC. 210. Whenever a civil action is instituted under section 207 by an individual, the Attorney General may intervene in such action upon timely application.

(20 U.S.C. 1709) Enacted August 21, 1974, P.L. 93–380, sec. 210, 88 Stat. 516.

SUITS BY THE ATTORNEY GENERAL

SEC. 211. The Attorney General shall not institute a civil action under section 207 before he—

(a) gives to the appropriate educational agency notice of the condition or conditions which, in his judgment, constitute a violation of subpart 2 of this part; and

(b) certifies to the appropriate district court of the United States that he is satisfied that such educational agency has not, within a reasonable time after such notice, undertaken appropriate remedial action.

(20 U.S.C. 1710) Enacted August 21, 1974, P.L. 93–380, sec. 211, 88 Stat. 516.

Subpart 4—Remedies

FORMULATING REMEDIES; APPLICABILITY

SEC. 213. In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, a court, department, or agency of the United States shall seek or impose only such remedies as are essential to correct particular denials of equal educational opportunity or equal protection of the laws.

(20 U.S.C. 1712) Enacted August 21, 1974, P.L. 93–380, sec. 213, 88 Stat. 516.

PRIORITY OF REMEDIES

SEC. 214. In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, which may involve directly or indirectly the transportation of students, a court, department, or agency of the United States shall consider and make specific findings on the efficacy in correcting such denial of the following remedies and shall require implementation of the first of the remedies set out below, or of the first combination thereof which would remedy such denial:

(a) assigning students to the schools closest to their places of residence which provide the appropriate grade level and type of education for such students, taking into account school capacities and natural physical barriers;

(b) assigning students to the schools closest to their places of residence which provide the appropriate grade level and type of education for such students, taking into account only school capacities;

(c) permitting students to transfer from a school in which a majority of the students are of their race, color, or national origin to a school in which a minority of the students are of their race, color, or national origin;

(d) the creation or revision of attendance zones or grade structures without requiring transportation beyond that described in section 215;

(e) the construction of new schools or the closing of inferior schools;

(f) the construction or establishment of magnet schools; or

(g) the development and implementation of any other plan which is educationally sound and administratively feasible, subject to the provisions of sections 215 and 216 of this part.

(20 U.S.C. 1713) Enacted August 21, 1974, P.L. 93–380, sec. 214, 88 Stat. 517.

TRANSPORTATION OF STUDENTS

SEC. 215. (a) No court, department, or agency of the United States shall, pursuant to section 214, order the implementation of a plan that would require the transportation of any student to a school other than the school closest or next closest to his place of residence which provides the appropriate grade level and type of education for such student.

(b) No court, department, or agency of the United States shall require directly or indirectly the transportation of any student if such transportation poses a risk to the health of such student or constitutes a significant impingement on the educational process with respect to such student.

(c) When a court of competent jurisdiction determines that a school system is desegregated, or that it meets the constitutional requirements, or that it is a unitary system, or that it has no vestiges of a dual system, and thereafter residential shifts in population occur which result in school population changes in any school within such a desegregated school system, no educational agency because of such shifts shall be required by any court, department, or agency of the United States to formulate, or implement any new desegregation plan, or modify or implement any modification of the court approved desegregation plan, which would require transportation of students to compensate wholly or in part for such shifts in school population so occurring.

(20 U.S.C. 1714) enacted August 21, 1974, P.L. 93–380, sec. 215, 88 Stat. 517.

DISTRICT LINES

SEC. 216. In the formulation of remedies under section 213 or 214 of this part the lines drawn by a State, subdividing its territory into separate school districts, shall not be ignored or altered except where it is established that the lines were drawn for the purpose, and had the effect, of segregating children among public schools on the basis of race, color, sex, or national origin.

(20 U.S.C. 1715) Enacted August 21, 1974, P.L. 93-380, sec. 216, 88 Stat. 518.

VOLUNTARY ADOPTION OF REMEDIES

SEC. 217. Nothing in this part prohibits an educational agency from proposing, adopting, requiring, or implementing any plan of desegregation, otherwise lawful, that is at variance with the standards set out in this part nor shall any court, department, or agency of the United States be prohibited from approving implementation of a plan which goes beyond what can be required under this part, if such plan is voluntarily proposed by the appropriate educational agency.

(20 U.S.C. 1716) Enacted August 21, 1974, P.L. 93-380, sec. 217, 88 Stat. 518.

REOPENING PROCEEDINGS

SEC. 218. A parent or guardian of a child, or parents or guardians of children similarly situated, transported to a public school in accordance with a court order, or an educational agency subject to a court order or a desegregation plan under title VI of the Civil Rights Act of 1964 in effect on the date of the enactment of this part and intended to end segregation of students on the basis of race, color, or national origin, may seek to reopen or intervene in the further implementation of such court order, currently in effect, if the time or distance of travel is so great as to risk the health of the student or significantly impinge on his or her educational process.

(20 U.S.C. 1717) Enacted August 21, 1974, P.L. 93-380, sec. 218, 88 Stat. 518.

LIMITATION ON ORDERS

SEC. 219. Any court order requiring, directly or indirectly, the transportation of students for the purpose of remedying a denial of the equal protection of the laws may, to the extent of such transportation, be terminated if the court finds the defendant educational agency has satisfied the requirements of the fifth or fourteenth amendments to the Constitution, whichever is applicable, and will continue to be in compliance with the requirements thereof. The court of initial jurisdiction shall state in its order the basis for any decision to terminate an order pursuant to this section, and the termination of any order pursuant to this section shall be stayed pending a final appeal or, in the event no appeal is taken, until the time for any such appeal has expired. No additional order requiring such educational agency to transport students for such purpose shall be entered unless such agency is found not to have satisfied the requirements of the fifth or fourteenth amendments to the Constitution, whichever is applicable.

(20 U.S.C. 1718) Enacted August 21, 1974, P.L. 93-380, sec. 219, 88 Stat. 518.

Subpart 5—Definitions

SEC. 221. For the purposes of this part—

(a) The term "educational agency" means a local educational agency or a "State educational agency" as defined by section 801(k) of the Elementary and Secondary Education Act of 1965.

(b) The term "local educational agency" means a local educational agency as defined by section 801(f) of the Elementary and Secondary Education Act of 1965.

(c) The term "segregation" means the operation of a school system in which students are wholly or substantially separated among the schools of an educational agency on the basis of race, color, sex, or national origin or within a school on the basis of race, color, or national origin.

(d) The term "desegregation" means desegregation as defined by section 401(b) of the Civil Rights Acts of 1964.

(e) An educational agency shall be deemed to transport a student if any part of the cost of such student's transportation is paid by such agency.

(20 U.S.C. 1720) Enacted August 21, 1974, P.L. 94–380, sec. 221, 88 Stat. 518, 519.

Subpart 6—Miscellaneous Provisions

REPEALER

SEC. 222. Section 709(a)(3) of the Emergency School Aid Act is hereby repealed.

SEPARABILITY OF PROVISIONS

SEC. 223. If any provision of this part or of any amendment made by this part, or the application of any such provision to any person or circumstance, is held invalid, the remainder of the previsions of this part and the amendments made by this part and the application of such provision to other persons or circumstances shall not be affected thereby.

(20 U.S.C. 1721) Enacted August 21, 1974, P.L. 93–380, sec. 223, 88 Stat. 519.

PART B—OTHER PROVISIONS RELATING TO THE ASSIGNMENT AND TRANSPORTATION OF STUDENTS

PROHIBITION AGAINST ASSIGNMENT OR TRANSPORTATION OF STUDENTS TO OVERCOME RACIAL IMBALANCE

SEC. 251. No provision of this Act shall be construed to require the assignment or transportation of students or teachers in order to overcome racial imbalance.

(20 U.S.C. 1751) Enacted August 21, 1974, P.L. 93–380, sec. 251, 88 Stat. 519.

(Sec. 252 is an amendment to sec. 420 of the General Education Provisions Act, 20 U.S.C. 1228).

PROVISION RELATING TO COURT APPEALS

SEC. 253. Notwithstanding any other law or provision of law, in the case of any order on the part of any United States district court which requires the transfer or transportation of any student or students from any school attendance area prescribed by competent State or local authority for the purposes of achieving a balance among students with respect to race, sex, religion, or socioeconomic status, the effectiveness of such order shall be postponed until all appeals in connection with such order have been exhausted or, in the event no appeals are taken, until the time for such appeals has expired. This section shall expire at midnight on June 30, 1978.

(20 U.S.C. 1752) Enacted August 21, 1974, P.L. 93–380, sec. 253, 88 Stat. 519, 520.

PROVISION REQUIRING THAT RULES OF EVIDENCE BE UNIFORM

SEC. 254. The rules of evidence required to prove that State or local authorities are practicing racial discrimination in assigning students to public schools shall be uniform throughout the United States.

(20 U.S.C. 1753) Enacted August 21, 1974, P.L. 93–380, sec. 254, 88 Stat. 520.

APPLICATION OF PROVISO OF SECTION 407(a) OF THE CIVIL RIGHTS ACT OF 1964 TO THE ENTIRE UNITED STATES

SEC. 255. The proviso of section 407(a) of the Civil Rights Act of 1964 providing in substance that no court or official of the United States shall be empowered to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance, or therwise enlarge the existing power of the court to insure compliance with constitutional standards shall apply to all public school pupils and to every public school system, public school and public school board, as defined by title IV, under all circumstances and conditions and at all times in every State, district, territory, Commonwealth, or possession of the United States, regardless of whether the residence of such public school pupils or the principal offices of such public school system, public school or public school board is situated in the northern, eastern, western, or southern part of the United States.

(20 U.S.C. 1754) Enacted August 21, 1974, P.L. 93–380, sec. 255, 88 Stat. 520.

ADDITIONAL PRIORITY OF REMEDIES

SEC. 256. Notwithstanding any other provision of law, after June 30, 1974 no court of the United States shall order the implementation of any plan to remedy a finding of de jure segregation which involves the transportation of students, unless the court first finds that all alternative remedies are inadequate.

(20 U.S.C. 1755) Enacted August 21, 1974, P.L. 93–380, sec. 256, 88 Stat. 520.

REMEDIES WITH RESPECT TO SCHOOL DISTRICT LINES

SEC. 257. In the formulation of remedies under this title the lines drawn by a State subdividing its territory into separate school districts, shall not be ignored or altered except where it is established that the lines were drawn, or maintained or crossed for the purpose, and had the effect of segregating children among public schools on the basis of race, color, sex, or national origin, or where it is established that, as a result of discriminatory actions within the school districts, the lines have had the effect of segregating children among public schools on the basis of race, color, sex, or national origin.

(20 U.S.C. 1756) Enacted August 21, 1974, P.L. 93-380, sec. 257, 88 Stat. 520.

PROHIBITION OF FORCED BUSING DURING SCHOOL YEAR

SEC. 258. (a) The Congress finds that—

(1) the forced transportation of elementary and secondary school students in implementation of the constitutional requirement for the desegregation of such schools is controversial and difficult under the best planning and administration; and

(2) the forced transportation of elementary and secondary school students after the commencement of an academic school year is educationally unsound and administratively inefficient.

(b) Notwithstanding any other provisions of law, no order of a court, department, or agency of the United States, requiring the transportation of any student incident to the transfer of that student from one elementary or secondary school to another such school in a local educational agency pursuant to a plan requiring such transportation for the racial desegregation of any school in that agency, shall be effective until the beginning of an academic school year.

(c) For the purpose of this section, the term "academic school year" means, pursuant to regulations promulgated by the Commissioner, the customary beginning of classes for the school year at an elementary or secondary school of a local educational agency for a school year that occurs not more often than once in any twelve-month period.

(d) The provisions of this section apply to any order which was not implemented at the beginning of the 1974–1975 academic year.

(20 U.S.C. 1757) Enacted August 21, 1974, P.L. 93-380, sec. 258, 88 Stat. 520, 521.

REASONABLE TIME FOR DEVELOPING VOLUNTARY PLAN FOR DESEGREGATING SCHOOLS

SEC. 259. Notwithstanding any other law or provision of law, no court or officer of the United States shall enter, as a remedy for a denial of equal educational opportunity or a denial of equal protection of the laws, any order for enforcement of a plan of desegregation or modification of a court-approved plan, until such time as the local educational agency to be affected by such order has been provided notice of the details of the violation and given a reasonable opportunity to develop a voluntary remedial plan. Such time shall permit the local educational agency sufficient opportunity for community participation in the development of a remedial plan.

(20 U.S.C. 1758) Enacted August 21, 1974, P.L. 93-380, sec. 259, 88 Stat. 521.

PART II—ELEMENTARY AND SECONDARY PROGRAMS

Elementary and Secondary Education Act of 1965

TITLE I—FINANCIAL ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF CHILDREN OF LOW-INCOME FAMILIES

DECLARATION OF POLICY

SEC. 101. In recognition of the special educational needs of children of low-income families and the impact that concentrations of low-income families have on the ability of local educational agencies to support adequate educational programs, the Congress hereby declares it to be the policy of the United States to provide financial assistance (as set forth in the following parts of this title) to local educational agencies serving areas with concentrations of children from low-income families to expand and improve their educational programs by various means (including preschool programs) which contribute particularly to meeting the special educational needs of educationally deprived children.

(20 U.S.C. 241a) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 27; redesignated and amended January 2, 1968, P.L. 90–247, Title I, secs. 108(a)(2), 110, 81 State, 786, 787; amended April 13, 1970, P.L. 91–230, sec. 113(b) (2), 84 Stat. 126.

DURATION OF ASSISTANCE

SEC. 102. During the period beginning July 1, 1973, and ending June 30, 1978, the Commissioner shall, in accordance with the provisions of this title, make payments to State educational agencies for grants made on the basis of entitlements created under this title.

(20 U.S.C. 241b) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 27; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 101, 80 Stat. 1191; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 108(a)(2), 110, Title III, sec. 301(a), 81 Stat. 786, 787, 813; amended April 13, 1970, P.L. 91–230, secs. 101(a), 113(b)(3), 84 Stat. 121, 126; amended August 21, 1974, P.L. 93–380, sec. 101(a)(1), 88 Stat. 488.

PART A—BASIC GRANTS [1]

Subpart 1—Grants to Local Educational Agencies

GRANTS—AMOUNT AND ELIGIBILITY

SEC. 103. (a)(1) There is authorized to be appropriated for each fiscal year for the purpose of this paragraph 1 per centum of the amount appropriated for such year for payments to States under section 143(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection, and payments pursuant to section 124), and there shall be authorized to be appro-

---

[1] Sec. 101(a)(10) of P.L. 93–380 provides as follows:

"(10) There is authorized to be appropriated for each fiscal year a sum not to exceed $15,700,000 to be allocated at the discretion of the Commissioner to assist those local education agencies whose total allocation under part A of title I of the Elementary and Secondary Education Act of 1965 is 90 per centum or less than such allocation under such part A during the preceding fiscal year."

priated such additional sums as will assure at least the same level of funding under this title as in fiscal year 1973 for Guam, American Samoa, the Virginia Islands, the Trust Territory of the Pacific Islands, and to the Secretary of the Interior for payments pursuant to paragraphs (1) and (2) of subsection (d). The amount appropriated pursuant to this paragraph shall be allotted by the Commissioner (A) among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for grants under this part, and (B) to the Secretary of the Interior in the amount necessary (i) to make payments pursuant to paragraph (1) of subsection (d), and (ii) to make payments pursuant to paragraph (2) of subsection (d). The grant which a local educational agency in Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands is eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the grant which a local educational agency in a State shall be eligible to receive under this subpart for a fiscal year shall (except as provided in paragraph (3)) be determined by multiplying the number of children counted under subsection (c) by 40 per centum of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State except that (A) if the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, such amount shall be 80 per centum of the average per pupil expenditure in the United States, or (B) if the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, such amount shall be 120 per centum of the average per pupil expenditure in the United States. In any case in which such data are not available, subject to paragraph (3), the grant for any local educational agency in a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agent is located, which aggregate amount shall be equal to the aggregate amount determined under the two preceding sentences for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner.

(3)(A) Upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children described in clause (C) of paragraph (1) of subsection (c), who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the grants for those agencies among them in such manner as it determines will best carry out the purposes of this title.

(C) The grant which Puerto Rico shall be eligible to receive under this subpart for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 40 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

(4) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children counted under subsection (c):

(1) In any case (except as provided in paragraph (3) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c)(1) The number of children to be counted for purposes of this section is the aggregate of (A) the number of children aged five to seventeen, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2)(A), (B) two-thirds of the number of children aged five to seventeen, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (2)(B), and (C) the number of children aged five to seventeen, inclusive, in the school district of such agency living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to section 123 for the purposes of a grant to a State agency, or being supported in foster homes with public funds.

(2)(A) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce for local educational agencies (or, if such data are not available for such agencies, for counties); and in determining the families which are below the poverty level, the Commissioner shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census.

(B) For purposes of this section, the Secretary of Health, Education, and Welfare shall determine the number of children aged five to seventeen, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census for a nonfarm family of four in such form as those criteria have been updated by increases in the Consumer Price Index. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year (using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the second calendar year preceding such month of January) or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

(C) When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families below the poverty level (as determined under paragraph (A) of this subsection) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(d)(1) From the amount allotted for payments to the Secretary of the Interior under clause (B)(i) in the second sentence of subsection (a)(1), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Commissioner determines will best carry out the purposes of this title, with respect to out-of-State Indian children in the elementary and secondary schools of such agencies under special contracts with the Department of the Interior. The amount of such payment may not exceed, for each such child, 40 per centum of (A) the average per pupil expenditure in the

State in which the agency is located or (B) 120 per centum of such expenditure in the United States, whichever is the greater.

(2) The amount allotted for payments to the Secretary of the Interior under clause (B)(ii) in the second sentence of subsection (a)(1) for any fiscal year shall be, as determined pursuant to criteria established by the Commissioner, the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this title. Such agreement shall contain (A) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 141(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (B) provision for carrying out the applicable provisions of sections 141(a) and 142(a)(3).

(20 U.S.C. 241c) Enacted April 11, 1965, P.L. 89-10, Title I, sec. 2, 79 Stat. 28; amended July 21, 1965, P.L. 89-77, sec. 3, 79 Stat. 243; amended Nov. 1, 1965, P.L. 89-313, sec. 6(a), 79 Stat. 1161; amended Nov. 3, 1966, P.L. 89-750, Title I, secs. 102, 103(a), 104-108, 113(b), 117, 80 Stat. 1191-1198; redesignated and amended Jan. 2, 1968, P.L. 90-247, Title I, secs. 101, 103(a), 104, 105, 107, 108(a), 81 Stat. 783-787; amended Oct. 16, 1968, P.L. 90-576, Title III, sec. 307, 82 Stat. 1097; amended April 13, 1970, P.L. 91-230, secs. 101(b), 103, 104, 105, 106, 107, 113, 84 Stat. 121-124, 126; amended and subsection 103(a)(1)(C) added June 23, 1972, P.L. 92-318, sec. 411(b), 86 Stat. 338; amended August 21, 1974, P.L. 93-380, sec. 101, 88 Stat. 488, 491.

Subpart 2—State Operated Programs

PROGRAMS FOR HANDICAPPED CHILDREN

SEC. 121. (a) A State agency which is directly responsible for providing free public education for handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education), shall be eligible to receive a grant under this section for any fiscal year.

(b) Except as provided in sections 124 and 125, the grant which an agency (other than the agency for Puerto Rico) shall be eligible to receive under this section shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United

---

NOTE.—Sec. 843(d) of P.L. 93-380 provides as follows:

"(d) Notwithstanding any provision of part A of title I of the Elementary and Secondary Education Act of 1965, the amount which the Commonwealth of Puerto Rico is eligible to receive under subpart 1 of such part A or under sections 121, 122, or 123 for the fiscal year ending June 30, 1975, shall not exceed 50 per centum of the full amount the Commonwealth of Puerto Rico would receive (after required ratable reductions) under such subpart or section but for this subsection, and for the fiscal years ending June 30, 1976, June 30, 1977, and June 30, 1978, such amount shall not exceed 75 per centum of the full amount the Commonwealth of Puerto Rico would receive (after required ratable reductions) under such subpart or section but for this subsection."

States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States), multiplied by the number of such children in average daily attendance, as determined by the Commissioner, at schools for handicapped children operated or supported by the State agency, including schools providing special education for handicapped children under contract or other arrangement with such State agency, in the most recent fiscal year for which satisfactory data are available. The grant which Puerto Rico shall be eligible to receive under this section shall be the amount arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

(c) A State agency shall use the payments made under this section only for programs and projects (including the acquisition of equipment and, where necessary, the construction of school facilities) which are designed to meet the special educational needs of such children, and the State agency shall provide assurances to the Commissioner that each such child in average daily attendance counted under subsection (b) will be provided with such a program, commensurate with his special needs, during any fiscal year for which such payments are made.

(d) In the case where such a child leaves an educational program for handicapped children operated or supported by the State agency in order to participate in such a program operated or supported by a local educational agency, such child shall be counted under subsection (b) if (1) he continues to receive an appropriately designed educational program and (2) the State agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State agency under this section which are attributable to such child, to be used for the purposes set forth in subsection (c).

(20 U.S.C. 241c-2) Enacted August 21, 1974; P.L. 93-380, sec. 101, 88 Stat. 491, 492.

PROGRAMS FOR MIGRATORY CHILDREN

SEC. 122. (a)(1) A State educational agency or a combination of such agencies, upon application, shall be entitled to receive a grant for any fiscal year under this section to establish or improve, either directly or through local educational agencies, programs of education for migratory children of migratory agricultural workers or of migratory fishermen. The Commissioner may approve such an application only upon his determination—

(A) that payments will be used for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of migratory children of migratory agricultural workers or of migratory fishermen, and to coordinate these programs and projects with similar programs and projects in other States, including the transmittal of pertinent information with respect to school records of such children;

(B) that in planning and carrying out programs and projects there has been and will be appropriate coordination with programs administered under part B of title III of the Economic Opportunity Act of 1964;

(C) that such programs and projects will be administered and carried out in a manner consistent with the basic objectives of clauses (1)(B) and (3) through (12) of section 141(a); and

(D) that, in planning and carrying out programs and projects, there has been adequate assurance that provision will be made for the preschool educational needs of migratory children of migratory agricultural workers or of migratory fishermen, whenever such agency determines that compliance with this clause will not detract from the operation of programs and projects described in clause (A) of this paragraph after considering the funds available for this purpose.

The Commissioner shall not finally disapprove an application of a State educational agency under this paragraph except after reasonable notice and opportunity for a hearing to the State educational agency.

(2) If the Commissioner determines that a State is unable or unwilling to conduct educational programs for migratory children of migratory agricultural workers or of migratory fishermen, or that it would result in more efficient and economic administration, or that it would add substantially to the welfare or educational attainment of such children, he may make special arrangements with other public or nonprofit private agencies to carry out the purposes of this section in one or more States, and for this purpose he may use all or part of the total of grants available for any such State under this section.

(3) For purposes of this section, with the concurrence of his parents, a migratory child of a migratory agricultural worker or of a migratory fisherman shall be deemed to continue to be such a child for a period, not in excess of five years, during which he resides in the area served by the agency carrying on a program or project under this subsection. Such children who are presently migrant, as determined pursuant to regulations of the Commissioner, shall be given priority in this consideration of programs and activities contained in applications submitted under this subsection.

(b) Except as provided in sections 124 and 125, the total grants which shall be made available for use in any State (other than Puerto Rico) for this section shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States) multiplied by (1) the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State full time, and (2) the full-time equivalent of the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State part time, as determined by the Commissioner in accordance with regulations, except that if, in the case of any State, such amount exceeds the amount required under subsection (a), the Commissioner shall allocate such excess, to the extent necessary, to other States whose total of grants under this sentence would otherwise be insufficient for all such children to be served in such other States. The total grant which shall be made available for use in Puerto Rico shall be arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States. In determining the number of migrant children for the purposes of this section the Commissioner shall use statistics made available by the migrant student record transfer system or such other system as he may determine most accurately and fully reflects the actual number of migrant students.

(20 U.S.C. 241c-2) Enacted August 21, 1974, P.L. 93-380, sec. 101, 88 Stat. 492, 494.

PROGRAMS FOR NEGLECTED OR DELINQUENT CHILDREN

SEC. 123. (a) A State agency which is directly responsible for providing free public education for children in institutions for neglected or delinquent children or in adult correctional institutions shall be entitled to receive a grant under this section for any fiscal year (but only if grants received under this section are used only for children in such institutions).

(b) Except as provided in sections 124 and 125, the grant which such an agency (other than the agency for Puerto Rico) shall be eligible to receive shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States) multiplied by the number of such children in average daily attendance, as determined by the Commissioner, at schools for such children operated or supported by that agency, including schools providing education for such children under contract or other arrangement with such agency, in the most recent fiscal year for which satisfactory data are available. The grant which Puerto Rico shall be eligible to receive under this section shall be the amount arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

(c) A State agency shall use payments under this section only for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of such children.

(20 U.S.C. 241c–3) Enacted August 21, 1974, P.L. 93–380, sec. 101, 88 Stat. 494.

RESERVATION OF FUNDS FOR TERRITORIES

SEC. 124. There is authorized to be appropriated for each fiscal year for purposes of each of section 121, 122, and 123, an amount equal to not more than 1 per centum of the amount appropriated for such year for such sections for payments to Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands under each such section. The amounts appropriated for each such section shall be allotted among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants, based on such criteria as the Commissioner determines will best carry out the purposes of this title.

(20 U.S.C. 241c–4) Enacted August 21, 1974, P.L. 93–380, sec. 101, 88 Stat. 494.

MINIMUM PAYMENTS FOR STATE OPERATED PROGRAMS

SEC. 125. Except as provided in section 843 of the Education Amendments of 1974, no State agency shall receive in any fiscal year prior to July 1, 1978, pursuant to sections 121, 122, or 123 an amount which is less than 100 per centum of the amount which that State agency received in the prior fiscal year pursuant to such section 121, 122, or 123, respectively.

(20 U.S.C. 241c–5) Enacted August 21, 1974, P.L. 93–380, sec. 101, 88 Stat. 495.

PART B—SPECIAL INCENTIVE GRANTS

MAXIMUM ENTITLEMENT

SEC. 126. (a) In the case of any fiscal year ending after June 30, 1969, each State shall be entitled to a special incentive grant if such State has an effort index for the second preceding fiscal year that exceeds the national effort index for such year.

(b) The maximum amount of a special incentive grant for which a State is eligible for any fiscal year shall be determined by multiplying the amount of $1 for each 0.01 per centum by which the effort index of that State for the second preceding fiscal year exceeds the national effort index for such year times the aggregate number of children counted for the purposes of entitled local educational agencies within such State to basic grants in accordance with clauses (2), (5), (6), and (7) of section 103(a), except that no State shall be eligible to receive a special incentive grant under this part, in an amount in excess of 15 per centum of the total amount available for grants under this part.

(20 U.S.C. 241d) Enacted Sept. 30, 1950, c. 1124, Title I, § 121, formerly Title II, § 221, as added and redesignated Jan. 2, 1968, P.L. 90–247, Title I, secs. 108 (a)(5), 110, 81 Stat. 786, 787; amended April 13, 1970, P.L. 91–230, Title I, sec. 113(b)(6), 84 Stat. 126; redesignated August 21, 1974, P.L. 93–380, sec. 101 (a)(3), 88 Stat. 495.

APPLICATION; USE OF FUNDS

SEC. 127. Any State desiring the special incentive grant to which it is entitled under this part for any fiscal year shall make application therefor, in accordance with the requirements set forth in section 142, to the Commissioner. Such application shall be submitted at such time and contain such information as the Commissioner shall require by regulation and shall contain a statement of such policies and procedures as will insure that funds granted to the State under this part will be (1) made available to local educational agencies within that State which have the greatest need for assistance under this title, and (2) used, in accordance with the applicable provisions of this title, for programs and projects designed to meet the special educational needs of educationally deprived children.

(20 U.S.C. 241d-1) Enacted Sept. 30, 1950, c. 1124, Title I, § 121, formerly Title II, § 221, as added and redesignated Jan. 2, 1968, P.L. 90-247, Title I, secs. 108(a)(5), 110, 81 Stat. 786, 787; amended April 13, 1970, P.L. 91-230, Title I, sec. 113(b)(6), 84 Stat. 126; redesignated August 21, 1974, P.L. 93-380, sec. 101(a)(3), 88 Stat. 495.

DEFINITIONS

SEC. 128. For the purpose of this part the term "effort index" when applied to States, means the per centum expressing the ratio of expenditures from all non-Federal sources in a State for public elementary and secondary education to the total personal income in such State, and the term "national effort index" means the per centum expressing the ratio of such expenditures in all States to the total personal income in all States; and the term "State" means the fifty States and the District of Columbia.

(20 U.S.C. 241d-2) Enacted Sept. 30, 1950, c. 1154, Title I, § 121, formerly Title II, § 221, as added and redesignated Jan. 2, 1968, P.L. 90-247, Title I, secs. 108(a)(5), 110, 81, Stat. 786, 787; amended April 13, 1970, P.L. 91-230, Title I, sec. 113(b)(6), 84 Stat. 127; redesignated August 21, 1974, P.L. 93-380, sec. 101(a)(3), 88 Stat. 495.

PART C—SPECIAL GRANTS [1]

ELIGIBILITY AND MAXIMUM AMOUNT OF SPECIAL GRANTS

SEC. 131. (a) Each local educational agency in a State which is eligible for a grant under this title for any fiscal year shall be entitled to an additional grant for that fiscal year if it meets the requirements of subsection (b). The amount of such grant shall be determined in accordance with subsection (c).

(b) (1) A local educational agency shall be entitled to a grant under this part for any fiscal year if the school district of such agency is located in a county in which—

(A) the number of children described in paragraph (2) for such year amounts to at least 200 per centum of the average number of such children in all counties in the State in which such agency is located for that fiscal year; or

(B) the number of children so described in such county for such year is 10,000 and amounts to 5 per centum of the total number of children in such county.

---

[1] **Section 101(a)(4)(B) of P.L. 93-380 repeals Part C, effective July 1, 1975.**

(2) For the purposes of paragraph (1), the children counted with respect to a local educational agency shall be those children in the such county who are—

(A) in families having an annual income of $3,000 or less; or

(B) in families receiving an annual income in excess of $3,000 from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; or

(C) living in institutions for neglected or delinquent children or being supported in foster homes with public funds.

(3) (A) Determinations with respect to numbers of children in any county under paragraph (2) shall be made by the Commissioner on the basis of the most recent satisfactory data available to him.

(B) (i) The number of children determined with respect to one or more counties shall be allocated by the Commissioner, for the purposes of paragraph (2), among the local educational agencies with school districts located in such county or counties.

(ii) In any case where—

(I) two or more local educational agencies serve, in whole or in part, the same geographical area; or

(II) a local educational agency provides free public education for a substantial number of children who reside in the school district of another local educational agency,

the Commissioner may allocate the number of children determined under this subsection among such agencies in such a manner as will best achieve the purposes of this section.

(C) (i) For the purposes of paragraph (2), the Commissioner shall determine the number of children from families having an annual income of $3,000 or less on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this subsection.

(ii) For the purposes of this subsection, the Secretary of Health, Education, and Welfare shall determine the number of children from families receiving an annual income in excess of $3,000 from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act and the number of children living in institutions for neglected or delinquent children or being supported in foster homes with public funds, on the basis of caseload data for the month of January of the preceding fiscal year, or to the extent that such data are not available to him before April 1 of the calendar year in which the determination is made, then on the basis of the most recent data available to him at the time of such determination. For the purposes of this subsection, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(c) The amount of the grant to which a local educational agency shall be entitled for any fiscal year shall be—

(A) the number of children determined with respect to such agency under subsection (b);

multiplied by—

(B) 50 per centum of the average per pupil expenditure of all the local educational agencies in the State in which such agency is located.

(d) Notwithstanding any other provision of this section, no payments for any fiscal year under this part to the local educational agencies in a single State shall exceed 12 per centum of the aggregate payments to all local educational agencies in that year under this part.

(e) (1) The aggregate of the amount for which all local educational agencies are eligible under this part shall not exceed $75,000,000 for any fiscal year. If, for any fiscal year, such aggregate, as computed without regard to the preceding sentence, exceeds $75,000,000, the amount for which each local educational agency is eligible shall be reduced ratably until such aggregate does not exceed such limitation.

(2) For the purpose of making payments under this part there are authorized to be appropriated not in excess of $75,000,000 for the fiscal year ending June 30, 1975.

(f) For the purposes of this section, the term—

(1) "State" means the fifty States and the District of Columbia; and

(2) "children" includes all children aged 5 through 17, inclusive.

(20 U.S.C. 241 d–11) Enacted August 21, 1974, P.L. 93–380, sec. 101, 88 Stat. 495, 496.

PART D.—GENERAL PROVISIONS

APPLICATION

SEC. 141 (a) A local educational agency may receive a grant under this title for any fiscal year only upon application therefor approved by the appropriate State educational agency, upon its determination (consistent with such basic criteria as the Commissioner may establish)—

(1) that payment under this title will be used for the excess costs of programs and projects (including the acquisition of equipment, payments to teachers of amounts in excess of regular salary schedules as a bonus for service in schools eligible for assistance under this title, the training of teachers, and, where necessary, the construction of school facilities and plans made or to be made for such programs, projects, and facilities) (A) which are designed to meet the special educational needs of educationally deprived children in school attendance areas having high concentrations of children from low-income families (and at the discretion of the local educational agency, in any school of such agency not located in such a school attendance area, at which the proportion of children in actual average daily attendance from low-income families is substantially the same as the proportion of such children in such an area of that agency) and (B) which are of sufficient size, scope, and quality to give reasonable promise of substantial progress toward meeting those needs and to this end involve an expenditure of not less than $2,500, except that the State educational agency may with respect to any applicant reduce the $2,500 requirement if it determines that it would be impossible, for reasons such as distance or difficulty of travel, for the applicant to join effectively with other local educational agencies for the purpose of meeting the requirement; and nothing herein shall be deemed to preclude two or more local educational

agencies from entering into agreements, at their option, for carrying out jointly operated programs and projects under this title: *Provided*, That the amount used for plans for any fiscal year shall not exceed 1 per centum of the amount determined for that agency for that year pursuant to section 103 or $2,000, whichever is greater;

(2) that the local educational agency has provided satisfactory assurance that section 141A will be complied with;

(3) That (A) the total educational agency has provided satisfactory assurance that the control of funds provided under this title, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this title, and that a public agency will administer such funds and property, (B) Federal funds made available under this title will be so used (i) as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of pupils participating in programs and projects assisted under this title, and (ii) in no case, as to supplant such funds from non-Federal sources, and (C) State and local funds will be used in the district of such agency to provide services in project areas which, taken as a whole, are at least comparable to services being provided in areas in such district which are not receiving funds under this title: *Provided*, That any finding of noncompliance with this clause shall not affect the payment of funds to any local educational agency until the fiscal year beginning July 1, 1972, and *Provided further*, That each local educational agency receiving funds under this title shall report on or before July 1, 1971, and on or before July 1 of each year thereafter with respect to its compliance with this clause;[1]

(4) In the case of any project for construction of school facilities, that the project is not inconsistent with overall State plans for the construction of school facilities and that the requirements of section 433 of the General Education Provisions Act will be complied with on all such construction projects;

(5) In the case of an application for payments for planning, (A) that the planning was or will be directly related to programs or projects to be carried out under this title and has resulted, or is reasonably likely to result in a program or project which will be carried out under this title, and (B) that planning funds are needed because of the innovative nature of the program or project or because the local educational agency lacks the resources necessary to plan adequately for programs and projects to be carried out under this title;

(6) That effective procedures, including provisions for appropriate objective measurements of educational achievement, will be adopted for evaluating at least annually the effectiveness of

---

[1] Sec. 109(b) of Public Law 91–230 reads as follows:

"(b) The amendment made by subsection (a) shall be effective with respect to all applications submitted to State educational agencies after thirty days after the date of enactment of this Act. Nothing in this section shall be construed to authorize the supplanting of State and local funds with Federal funds prior to the effective date of the amendment made by this section."

the programs in meeting the special educational needs of educationally deprived children;

(7) That the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information (which in the case of reports relating to performance is in accordance with specific performance criteria related to program objectives), as may be reasonably necessary to enable the State educational agency to perform its duties under this title, including information relating to the educational achievement of students participating in programs carried out under this title, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports;

(8) That the local educational agency is making the application and all pertinent documents related thereto available to parents and other members of the general public and that all evaluations and reports required under paragraph (7) shall be public information;

(9) In the case of a project for the construction of school facilities, that, in developing plans for such facilities due consideration has been given to compliance with such standards as the Secretary may prescribe or approve in order to insure that facilities constructed with the use of Federal funds under this title shall be, to the extent appropriate in view of the uses to be made of the facilities, accessible to and usable by handicapped persons;

(10) That effective procedures will be adopted for acquiring and disseminating to teachers and administrators significant information derived from educational research, demonstration, and similar projects, and for adopting, where appropriate, promising educational practices developed through such projects;

(11) In the case of a project for the construction of school facilities, that, in developing plans for such facilities, due consideration has been given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project);

(12) In the case of projects involving the use of education aides, the local educational agency sets forth well-developed plans providing for coordinated programs of training in which education aides and the professional staff whom they are assisting will participate together;

(13) That, where a school attendance area does not meet the requirement of paragraph (1)(A) of this subsection for a fiscal year, or in the case of a local educational agency electing to allocate funds under section 140, where such an area does not meet the requirement of that section, but did meet the appropriate requirement in either of the two preceding fiscal years, that school attendance area shall be considered to meet the applicable criterion for that fiscal year; and

(14) That the local educational agency shall establish an advisory council for the entire school district and shall establish an advisory council for each school of such agency served by a program or project assisted under section 143(a)(2), each of which advisory councils—

(A) has as a majority of its members parents of the children to be served,

(B) is composed of members selected by the parents in each school attendance area,

(C) has been given responsibility by such agency for advising it in the planning for, and the implementation and evaluation of, such programs and projects, and

(D) is provided by such agency, in accordance with regulations of the Commissioner, with access to appropriate information concerning such programs and projects.

(b) It is the intent of the Congress to encourage, where feasible, the development for each educationally deprived child participating in a program under this title of an individualized written educational plan (maintained and periodically evaluated), agreed upon jointly by the local educational agency, a parent or guardian of the child, and when appropriate, the child.

(c) The State educational agency shall not finally disapprove in whole or in part any application for funds under this title without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

(20 U.S.C. 241e) Enacted April 11, 1965, P.L. 89-10, Title I, sec. 2, 79 Stat. 30; amended Nov. 3, 1966, P.L. 89-750, Title I, secs. 103(b), 108(b)(1), (2), 110, 111(a)-(e), 80 Stat. 1192, 1195, 1196; redesignated and amended Jan 2, 1968, P.L. 90-247, Title I, secs. 103(b), 106, 108(a)(2), 109, 110, 81 Stat. 783, 784, 786, 787; redesignated and amended April 13, 1970, P.L. 91-230, Title I, secs. 108, 109(a), 110, 111(b), 113(b)(3), (4), (7), 84 Stat. 124-126, 128; amended June 23, 1972, P.L. 92-318, sec. 507(a) and (b), 86 Stat. 352; amended August 21, 1974, P.L. 93-380, sec. 101, 88 Stat. 496, 497.

PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

SEC. 141A. (a) To the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency shall make provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate and meeting the requirements of clauses (A) and (B) of paragraph (1) of subsection (a) of section 141, paragraph (2) of subsection (a) of such section, and clauses (A) and (B) of paragraph (3) of subsection (a) of such section 141.

(b)(1) If a local educational agency is prohibited by law from providing for the participation in special programs for educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), the Commissioner shall waive such requirement and the provisions of section 141(a)(2), and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a).

(2) If the Commissioner determines that a local educational agency has substantially failed to provide for the participation on an equitable basis of educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), he shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a), upon which determination the provisions of paragraph (a) and section 141 (a)(2) shall be waived.

(3) When the Commissioner arranges for services pursuant to this section, he shall, after consultation with the appropriate public and private school officials, pay the cost of such services from the appropriate allocation or allocations under this title.

(4) (A) the Commissioner shall not take any final action under this section until he has afforded the State educational agency and local educational agency affected by such action at least sixty days notice of his proposed action and an opportunity for a hearing with respect thereto on the record.

(B) If a State or local educational agency is dissatisfied with the Commissioner's final action after a hearing under subparagraph (A) of this paragraph, it may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(C) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence

(D) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 241e-1) Enacted August 21, 1974, P.L. 93-380, sec. 101, 88 Stat. 497, 498.

ASSURANCES FROM STATES

SEC. 142. (a) Any State desiring to participate under this title (except with respect to the program provided for in section 122 relating to migratory children of migratory agricultural workers) shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

(1) that, except as provided in section 143(b), payments under this title will be used only for programs and projects which have been approved by the State educational agency pursuant to section 141(a) and which meet the applicable requirements of that section and of section 121 and that such agency will in all other respects comply with the provisions of this title, including the enforcement of any obligations imposed upon a local educational agency under section 141(a);

(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under this title; and

(3) that the State educational agency will make to the Commissioner (A) periodic reports (including the results of objective measurements required by section 141(a)(6) and of research and replication studies) evaluating the effectiveness of payments under this title and of particular programs assisted under it in improving the educational attainment of educationally deprived children, and (B) such other reports as may be reasonably necessary to enable the Commissioner to perform his duties under this title (including such reports as he may require to determine the amounts which the local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall approve an application which meets the requirements specified in subsection (a), and he shall not finally disapprove an application except after reasonable notice and opportunity for a hearing to the State educational agency.

(20 U.S.C. 241f) Enacted April 11, 1965, P.L. 89-10, Title I, sec. 2, 79 Stat. 31; amended Nov. 1, 1965, P.L. 89-313, sec. 6(b), 79 Stat. 1162; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 103(c)(1), 80 Stat. 1193; redesignated and amended Jan. 2, 1968, P.L. 90-247, Title I, secs. 103(c), 108(a)(2), 110, 81 Stat. 783, 786, 787; redesignated and amended April 13, 1970, P.L. 91-230, Title I, secs. 111(a), 113(b)(3), (4), 84 Stat. 25, 126.

PAYMENT

SEC. 143. (a)(1) The Commissioner shall, subject to the provisions of section 144, from time to time pay to each State, in advance or otherwise, the amount which it and the local educational agencies of that State are eligible to receive under this title. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this title (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

(2) From the funds paid to it pursuant to paragraph (1) each State educational agency shall distribute to each local educational agency of the State which is not ineligible by reason of section 103(b) and which has submitted an application approved pursuant to section 141(a) the amount for which such application has been approved ex-

cept that this amount shall not exceed the amount determined for that agency pursuant to section 103.

(b) The Commissioner is authorized to pay to each State amounts equal to the amounts expended by it for the proper and efficient performance of its duties under this title (including technical assistance for the measurements and evaluations required by section 141(a)(6), except that the total of such payments in any fiscal year shall not exceed—

(1) 1 per centum of the amount allocated to the State and its local educational agencies as determined for that year under this title; or

(2) $150,000, or $25,000 in the case of Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands, whichever is the greater.

(c)(1) No payments shall be made under this title for any fiscal year to a State which has taken into consideration payments under this title in determining the eligibility of any local educational agency in that State for State aid, or the amount of that aid, with respect to the free public education of children during that year or the preceding fiscal year.

(2) No payments shall be made under this title to any local educational agency for any fiscal year unless the State educational agency finds that the combined fiscal effort (as determined in accordance with regulations of the Commissioner) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year.

(20 U.S.C. 241g) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 32; amended Nov. 1, 1965, P.L. 89–313, sec. 7(a), 79 Stat. 1162; amended Nov. 3, 1966, P.L. 89–750, Title I, secs. 103(c)(2), 108(b)(3), 112, 113(a), 80 Stat. 1193, 1195, 1197; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 102, 103(c), 108(a)(2), 110, 81 Stat. 783, 786, 787; redesignated and amended April 13, 1970, P.L. 91–230, Title I, secs. 113(b)(3), (4), (8), 114, 84 Stat. 126, 129, 130.

ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

SEC. 144. If the sums appropriated for any fiscal year for making the payments provided in this title are not sufficient to pay in full the total amounts which all local and State educational agencies are entitled to receive under this title for such year, the amount available for each grant to a State agency eligible for a grant under section 121, 122, or 123 shall be equal to the total amount of the grant as computed under each such section. If the remainder of such sums available after the application of the preceding sentence is not sufficient to pay in full the total amounts which all local educational agencies are entitled to receive under part A of this title for such year, the allocations to such agencies and allocations under part B shall, subject to adjustments under the next sentence, be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amount so appropriated, except that entitlements under such part B shall be taken into consideration only to the extent that appropriations for such title I (excluding part C thereof) exceed $1,396,975,000 for any fiscal year and such entitlements shall not exceed $50,000,000 in any fiscal year. The allocation of a local educational agency which would be reduced under the preceding sentence to less than 85 per centum of its allocation under part A for the preceding fiscal year, shall be increased to such amount, the total of the increases thereby required being derived by proportionately reducing the allocations of the remaining local educational agencies, under the preceding sentence, but with such adjustments as may be necessary to prevent the allocation to any remaining local educational agency from being thereby reduced to less than 85 per centum of its allocation for such year. If the aggregate of the amounts to which all States are entitled under such part B exceeds $50,000,000 the entitlement of each State shall be reduced ratably until such aggregate does not exceed $50,000,000 in such fiscal year.

In case additional funds become available for making payments under this title or that year, such reduced amounts shall be increased on the same basis that they were reduced. In order to permit the most effective use of all appropriations made to carry out this title, the Commissioner may set dates by which (1) State educational agencies must certify to him the amounts for which the applications of educational agencies have been or will be approved by the State, and (2) State educational agencies referred to in section 122 must file applications. If the maximum grant a local educational agency or an agency referred to in section 122 would receive (after any ratable reduction which may have been required under the first sentence of this section) is more than an amount which the State educational agency determines, in accordance with regulations prescribed by the Commissioner, such agency will use, the excess amount shall be made available first to educational agencies in that State. Determinations of the educational agencies to which such excess amounts shall be made available shall be made by the State educational agency in furtherance of the purposes of this title in accordance with criteria prescribed by the Commissioner which are designed to assure that such excess amounts will be made available to other eligible educational agencies with the greatest need, for the purpose of, where appropriate, redressing inequities inherent in, or mitigating hardships caused by, the application of the provisions of paragraph (2) of section 103(a) as a result of such factors as population shifts and changing economic circumstances. In the event excess amounts remain after carrying out the preceding two sentences of this section, such excess amounts shall be distributed among the other States as the Commissioner shall prescribe for use by local educational agencies in such States for the purposes of this title in such manner as the respective State educational agencies shall prescribe.

(20 U.S.C. 241h) Enacted April 11, 1965, P.L. 89–10, sec. 2, 79 Stat. 33; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 114, 80 Stat. 1197; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 107(b), 110, 81 Stat. 785, 787; redesignated and amended April 13, 1970, P.L. [illegible]–230, Title I, sec. 113(b)(3), (4)(c), and (d), 84 Stat. 126, 129; amended August 21, 1974, P.L. 93–380, sec. 101, 88 Stat. 498, 499.

WITHHOLDINGS

SEC. 146. Whenever the Commissioner, after reasonable notice and opportunity for hearing to any State educational agency, finds that there has been a failure to comply substantially with any assurance set forth in the application of that State approved under section 122 or 142(b) the Commissioner shall notify the agency that further payments will not be made to the State under this title (or, in his discretion, that the State educational agency shall not make further payments under this title to specified local educational agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made to the State under this title, or payments by the State educational agency under this title shall be limited to local educational agencies not affected by the failure, as the case may be.

(20 U.S.C. 241j) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 33; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 103(c)(3), 80 Stat. 1193; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 108(a)(4), (b), 110, 81 Stat. 786, 787; amended and redesignated April 13, 1970, P.L. 91–230, Title I, sec. 113(b) (4), (9), 84 Stat. 126, 129.

JUDICIAL REVIEW

SEC. 147. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its application submitted under section 122 or 142(b) or with his final action under section 146, such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 241k) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 33; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 103(c)(4), 80 Stat. 1193; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 108(a)(4), (b), 110, 81 Stat. 786, 787; amended and redesignated April 13, 1970, P.L. 91–230, Title I, sec. 113(b)(4), (10), 84 Stat. 125, 129.

NATIONAL ADVISORY COUNCIL

SEC. 148. (a) There shall be a National Advisory Council on the Education of Disadvantaged Children (hereinafter in this section referred to as the "National Council") consisting of fifteen members appointed by the President, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, for terms of three years, except that (1) in the case of initial members, five shall be appointed for terms of one year each and five shall be appointed for terms of two years each, and (2) appointments to fill vacancies shall be only for such terms as remain unexpired. The National Council shall meet at the call of the Chairman.

(b) The National Council shall review and evaluate the administration and operation of this title, including its effectiveness in improving the educational attainment of educationally deprived children, including the effectiveness of programs to meet their occupational and career needs, and make recommendations for the improvement of this title and its administration and operation. These recommendations shall take into consideration experience gained under this and other Federal educational programs for disadvantaged children and, to the extent appropriate, experience gained under other public and private educational programs for disadvantaged children.

(c) The National Council shall make such reports of its activities, findings, and recommendations (including recommendations for changes in the provisions of this title) as it may deem appropriate and shall make an annual report to the President and the Congress not later than March 31 of each calendar year. Such annual report shall include a report specifically on which of the various compensatory education programs funded in whole or in part under the provisions of this title, and of other public and private educational programs for educationally deprived children, hold the highest promise for raising the educational attainment of these educationally deprived children. The President is requested to transmit to the Congress such comments and recommendations as he may have with respect to such report. Subject to section 448(b) of the General Education Provisions Act, the National Council shall continue to exist until July 1, 1978.

(20 U.S.C. 2411) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 34; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 115, 80 Stat. 1197; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 108(a)(4), 110, 114, 81 Stat. 786–788; amended and redesignated April 13, 1970, P.L. 91–230, Title I, secs. 112, 113(b)(4), 84 Stat. 125, 126; amended August 21, 1974, P.L. 93–380, sec. 845(a), 88 Stat. 612.

TREATMENT OF EARNINGS FOR PURPOSES OF AID TO FAMILIES WITH DEPENDENT CHILDREN

SEC. 149. (a) Notwithstanding the provisions of title IV of the Social Security Act, a State plan approved under section 402 of such Act shall provide that for a period of not less than twelve months, and may provide that for a period of not more than twenty-four months, the first $85 earned by any person in any month for services rendered to any program assisted under this title of this Act shall not be regarded (A) in determining the need of such person under such approved State plan or (B) in determining the need of any other individual under such approved State plan.

(b) Notwithstanding the provisions of subsection (a) of this section, no funds to which a State is otherwise entitled under title IV of Social Security Act for any period before the fourth month after the adjournment of the State's first regular legislative session which adjourns more than sixty days after enactment of the Elementary and Secondary Education Amendments of 1966, shall be withheld by reason of any action taken pursuant to a State statute which prevents such State from complying with the requirements of subsection (a) of this section.

(20 U.S.C. 241m) Enacted Nov. 3, 1966, P.L. 89–750, Title I, sec. 109, 80 Stat. 1195; redesignated Jan. 2, 1968, P.L. 90–247, Title I, secs. 108(a)(4), 110, 81 Stat. 786, 787; redesignated April 13, 1970, P.L. 91–230, Title I, sec. 113(b)(4), 84 Stat. 126.

ALLOCATION OF FUNDS WITHIN THE SCHOOL DISTRICT OF A LOCAL EDUCATIONAL AGENCY

SEC. 150. (a) For any fiscal year not more than 20 local educational agencies selected for the purpose of section 821(a)(5) of the Education Amendments of 1974 may elect, with the approval of the district-wide parent advisory council which is required to be established under section 141(a)(14) of this title, to allocate funds received from payments under this title on the basis of a method or combination of methods other than the method provided under section 141(a)(1)(A). Any method selected pursuant to this section shall be so designed and administered as to be free from racial or cultural discrimination.

(b) Any local educational agency to which this section applies shall submit such reports to the Director of the National Institute of Education at such time and in such manner as the Director may reasonably require to carry out his responsibilities under section 821(a)(5) of the Education Amendments of 1974.

(20 U.S.C. 241n) Enacted August 21, 1974, P.L. 93–380, sec. 101, 88 Stat. 499.

PROGRAM EVALUATION

SEC. 151. (a) The Commissioner shall provide for independent evaluations which describe and measure the impact of programs and projects assisted under this title. Such evaluations may be provided by contract or other arrangements, and all such evaluations shall be made by competent and independent persons, and shall include, whenever possible, opinions obtained from program or project participants about the strengths and weaknesses of such programs or projects.

(b) The Commissioner shall develop and publish standards for evaluation of program or project effectiveness in achieving with objectives of this title.

(c) The Commissioner shall, where appropriate, consult with State agencies in order to provide for jointly sponsored objective evaluation studies of programs and projects assisted under this title within a State.

(d) The Commissioner shall provide to State educational agencies, models for evaluations of all programs conducted under this title, for their use in carrying out their functions under section 143(a), which shall include uniform procedures and criteria to be utilized by local educational agencies, as well as by the State agency in the evaluation of such programs.

(e) The Commissioner shall provide such technical and other assistance as may be necessary to State educational agencies to enable them to assist local educational agencies in the development and application of a systematic evaluation of programs in accordance with the models developed by the Commissioner.

(f) The models developed by the Commissioner shall specify objective criteria which shall be utilized in the evaluation of all programs and shall outline techniques (such as longitudinal studies of children involved in such programs) and methodology (such as the use of tests which yield comparable results) for producing data which are comparable on a statewide and nationwide basis.

(g) The Commissioner shall make a report to the respective committees of the Congress having legislative jurisdiction over programs authorized by this title and the respective Committees on Appropriations concerning his progress in carrying out this section not later than January 31, 1975, and thereafter he shall report to such committees no later than January 31 of each calendar year the results of the evaluations of programs and projects required under this section, which shall be comprehensive and detailed, as up-to-date as possible, and based to the maximum extent possible on objective measurements, together with any other related findings and evaluations, and his recommendations with respect to legislation.

(h) The Commissioner shall also develop a system for the gathering and dissemination of results of evaluations and for the identification of exemplary programs and projects, or of particularly effective elements of programs and projects, and for the dissemination of information concerning such programs and projects or such elements thereof to State and local educational agencies responsible for the design and conduct of programs and projects under this title, and to the education profession and the general public.

(i) The Commissioner is authorized, out of funds appropriated to carry out this title in any fiscal year, to expend such sums as may be necessary to carry out the provisions of this section, but not to exceed one-half of 1 per centum of the amount appropriated for such program, of which $5,000,000 for each fiscal year ending prior to July 1, 1977, shall be available only for the surveys and studies authorized by section 821 of the Education Amendments of 1974.

(20 U.S.C. 241o) Enacted August 21, 1974, P.L. 93–380, sec. 101, 88 Stat. 499, 500:

SHORT TITLE

Sec. 152. This title my be cited as "Title I of the Elementary and Secondary Education Act of 1965."

Enacted Nov. 3, 1966, P.L. 89–750, Title I, sec. 116, 80 Stat. 1198; redesignated Jan. 2, 1968, P.L. 90–247, Title I, secs. 108(a)(4), 110, 81 Stat. 786, 787; redesignated April 13, 1970, P.L. 91–230, sec. 113(b)(4), 84 Stat. 126; redesignated August 21, 1974, P.L. 93–380, sec. 101, 88 Stat. 499.

TITLE IV (P.L. 81-874)—GENERAL

ADMINISTRATION

Sec. 401.[1] (a) (Repealed).

(b) The Commissioner shall administer this Act, and he may make such regulations and perform such other functions as he finds necessary to carry out the provisions of this Act.

(c) The Commissioner shall include in his annual report to the Congress a full report of the administration of his functions under this Act, including a detailed statement of receipts and disbursement.

(20 U.S.C. 242) Enacted Sept. 30, 1950, c. 1124, P.L. 874, 81st Cong., sec. 7, 64 Stat. 1107; redesignated as Title III, sec. 301, April 11, 1965, P.L. 89-10. Title I, sec. 3(c)(1), 79 Stat. 35; amended Nov. 3, 1966, P.L. 89-750, Title II, sec. 205, 80 Stat. 1212; subsection (a) repealed April 13, 1970, P.L. 91-230, Title IV, sec. 401(f)(1) and superseded by sec. 422 of P.L. 90-247, Title IV, as amended (20 U.S.C. 1232a); redesignated June 23, 1972, P.L. 92-318, sec. 411, 86 Stat. 334.

USE OF OTHER FEDERAL AGENCIES; TRANSFER AND AVAILABILITY OF APPROPRIATIONS

Sec. 402. (a) In carrying out his functions under this Act, the Commissioner is authorized, pursuant to proper agreement with any other Federal department or agency, to utilize the services and facilities of such department or agency, and, when he deems it necessary or appropriate, to delegate to any officer or employee thereof the function under section 6 of making arrangements for providing free public education. Payment to cover the cost of such utilization or of carrying out such delegated function shall be made either in advance or by way of reimbursement, as may be provided in such agreement.

(b) All Federal departments or agencies administering Federal property on which children reside, and all such departments or agencies principally responsible for Federal activities which may occasion assistance under title I, shall to the maximum extent practicable comply with requests of the Commissioner for information he may require in carrying out the purposes of title I.

(c) Such portion of the appropriations of any other department or agency for the fiscal year ending June 30, 1951, as the Director of the Bureau of the Budget determines to be available for the same purposes as title I, shall, except to the extent necessary to carry out during such year contracts made prior to the enactment of title I, be transferred to the Commissioner for use by him in carrying out such purposes.

(d) No appropriation to any department or agency of the United States, other than an appropriation to carry out this Act, shall be available for the employment of teaching personnel for the provision of free public education for children in any State or for payments to any local educational agency (directly or through the State educational agency) for free public education for children, except that nothing in the foregoing provisions of this subsection shall affect the avail-

---

[1] Title IV and section 401 of the Act of Sept. 30, 1950, P.L. 81–874. References in this title to Title I of the Elementary and Secondary Education Act of 1965, are to its original designation on enactment, "Title II" of Public Law 81–874.

Provisions of this title (as well as provisions of other acts) repealed by P.L. 91–230 are superseded by provisions of the General Education Provisions Act, as added by Title IV of P.L. 91–230, amendments to Title IV of P.L. 90–247.

ability of appropriations for the maintenance and operation of school facilities (1) on Federal property under the control of the Atomic Energy Commission or (2) by the Bureau of Indian Affairs, or the availability of appropriations for the making of payments directed to be made by section 91 of the Atomic Energy Community Act of 1955, as amended, or the availability of appropriations under the Act of April 16, 1934, commonly referred to as the Johnson-O'Malley Act (25 U.S.C., sec. 452).

(20 U.S.C. 243) Enacted Sept. 30, 1950, c. 1124, P.L. 874, 81st Cong., Title III, sec. 302, formerly sec. 8, 64 Stat. 1108; amended Aug. 8, 1953, c. 402, P.L. 248, 83d Cong., sec. 9, 67 Stat. 536; amended Aug. 4, 1955, c. 543, c. 11, P.L. 221, 84th Cong., sec. 202, 69 Stat. 485; amended Aug. 12, 1955, c. 868, P.L. 382, 84th Cong., sec. 1, 69 Stat. 713; amended Aug. 3, 1956, c. 915, P.L. 949, 84th Cong., Title II, sec. 210, 70 Stat. 972; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 204, 72 Stat. 560; redesignated and amended April 11, 1965, P.L. 89–10, Title I, sec. 3(c), 79 Stat. 35, amended April 13, 1970, P.L. 91–230, Title IV, sec. 401(c)(1), 84 Stat. 173. Repealed provision superseded by sec. 411 of P.L. 90–247, Title IV, as amended (20 U.S C. 1231(a)); redesignated June 23, 1972, P.L. 92–318, sec. 411, 86 Stat. 334.

DEFINITIONS

SEC. 403. For the purposes of this Act—

(1) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political subdivision of a State or by the District of Columbia. Such term includes (A) except for purposes of section 6, real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States, (B) for one year beyond the end of the fiscal year in which occurred the sale or transfer thereof by the United States, any property considered prior to such sale or transfer to be Federal property for the purposes of this act, (C) any low-rent housing whether or not owned by the United States which is part of a low-rent housing project assisted under the United States Housing Act of 1937, section 516 of the Housing Act of 1949, or part B of title III of the Economic Opportunity Act of 1964, and (D) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State. Such term also includes any interest in Federal property (as defined in the foregoing provisions of this paragraph) under an easement, lease, license, permit, or other arrangement, as well as any improvements of any nature (other than pipelines or utility lines) on such property even though such interests or improvements are subject to taxation by a State or political subdivision of a State or by the District of Columbia. Notwithstanding the foregoing provisions of this paragraph, such term does not include any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services.

(2) The term "child," except as used in title II, means any child who is within the age limits for which the applicable State provides free public education.

(3) The term "parent" includes a legal guardian or other person standing in loco parentis.

(4) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State, except that for the purposes of title II such term does not include any education provided beyond grade 12.

(5) The term "current expenditures" means expenditures for free public education, including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds granted under title II of this Act or title II or III of the Elementary and Secondary Education Act of 1965.

(6) (A) For purposes of title I, the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State. Such term includes any State agency which directly operates and maintains facilities for providing free public education.

(B) For purposes of title II, the term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school, and it also includes (except for purposes of sections 203(a)(2), 203(b), and 205(a)(1)) any State agency which is directly responsible for providing free public education for handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education) or for children in institutions for neglected or delinquent children.

(7) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(8) The term "State" means a State, Puerto Rico, Wake Island, Guam, the District of Columbia, American Samoa, or the Virgin Islands, and for purposes of title II, such term includes the Trust Territory of the Pacific Islands.

(9) The terms "Commissioner of Education" and "Commissioner" means the United States Commissioner of Education.

(10) Average daily attendance shall be determined in accordance with State law, except that (A) the average daily attendance of children with respect to whom payment is to be made under section 3 or 4 of this Act shall be determined in accordance with regulations of the Commissioner, and (B) not withstanding any other provision of this Act, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this Act the attendance of such child at such school shall be held and considered (i) to be attendance at a school of the local educational agency so making or contracting to make such tuition payment, and (ii) not to be attendance at a school of the local educational agency receiving such tuition payment or entitled to receive such payment under the contract.

(11) The term "county" means those divisions of a State utilized by the Secretary of Commerce in compiling and reporting data regarding counties.

(12) The term "construction" includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(13) The term "school facilities" means classrooms and related facilities (including initial equipment) for free public education and interests in land (including site, grading, and improvements) on which such facilities are constructed, except that such term does not include those gymnasiums and similar facilities intended primarily for exhibitions for which admission is to be charged to the general public.

(14) The term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

(15) For the purpose of title II, the term "elementary school" means a day or residential school which provides elementary education, as determined under State law, and the term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(16) For purposes of title II, the "average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or if satisfactory data for that year are not available at the time of computation, then during the most recent preceding fiscal year for which satisfactory data are available, of all local educational agencies as defined in section 403(6)(B) in the State, or in the United States (which for the purposes of this subsection means the fifty States, and the District of Columbia), as the case may be, plus any direct current expenditures

by the State for operation of such agencies (without regard to the source of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

(17) For the purposes of title II, "excess costs" means those costs directly attributable to programs and projects which exceed the average per pupil expenditure of a local educational agency in the most recent year for which satisfactory data are available for pupils in the grade or grades included in such programs or projects (but not including expeditures for any comparable State or local special programs, for educationally deprived children or expenditures for bilingual programs or special education for handicapped children or children with specific learning disabilities, if such expenditures for bilingual education and special education are used to provide, to children of limited English-speaking ability and handicapped children, and children with specific learning disabilities who reside in title I project areas, services which are comparable to those provided to similarly disadvantaged children residing in nonproject areas).

(20 U.S.C. 244) Enacted Sept. 30, 1950, c. 1124, P.L. 874, 81st Cong., Title III, sec. 303, formerly sec. 9, 64 Stat. 1108; amended Aug. 8, 1953, c. 402, P.L. 248, 83d Cong., sec. 10, 67 Stat. 536; amended Aug. 1, 1956, c. 852, P.L. 896, 84th Cong., sec. 10, 70 Stat. 909; amended Aug. 3, 1956, c. 915, P.L. 949, 84th Cong., Title II, sec. 211, 70 Stat. 972; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 205, 72 Stat. 560; amended June 25, 1959, P.L. 86–70, sec. 18(d)(4), 73 Stat. 145; amended July 12, 1960, P.L. 86–624, sec. 14(d)(4), 74 Stat. 414; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1102(b), 78 Stat. 1109; redesignated, and amended April 11, 1965, P.L. 89–10, Title I, secs. 3(c)(1), 4(a)–(c), (d)(1), (e), 79 Stat. 35; amended Nov. 1, 1965, P.L. 89–313, sec. 6(c), 79 Stat. 1162; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 117(a)(1), (b), Title II, sec. 206, 80 Stat. 1198, 1199, 1213; amended Jan. 2, 1968, P.L. 90–247, Title II, sec. 201, 81 Stat. 806; amended April 13, 1970, P.L. 91–230, Title II, sec. 203(b), 84 Stat. 156. Amendment effective after June 30, 1970; redesignated June 23, 1972, P.L. 92–318, sec. 411, 86 Stat. 334; amended August 21, 1974, P.L. 93–380, sec. 101, 88 Stat. 501.

Elementary and Secondary Education Act of 1965

(P.L. 89–10)

TITLES II, III, V, VII, AND VIII

AN ACT To strengthen and improve educational quality and educational opportunities in the Nation's elementary and secondary schools

Be is enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Elementary and Secondary Education Act of 1965".

TITLE I—FINANCIAL ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF CHILDREN OF LOW-INCOME FAMILIES AND EXTENSION OF PUBLIC LAW 874, EIGHTY-FIRST CONGRESS

* * * * * * *

(NOTE.—Title I is an amendment to P.L. 874, 81st Cong., and is included herein on p. 57 as a separate program.)

TITLE II—SCHOOL LIBRARY RESOURCES, TEXTBOOKS AND OTHER INSTRUCTIONAL MATERIALS[1]

APPROPRIATIONS AUTHORIZED

Sec. 201. (a) The Commissioner shall carry out a program for making grants for the acquisition of school library resources, textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools.

(b) For the purpose of making grants under this title, there are hereby authorized to be appropriated the sum of $100,000,000 for the fiscal year ending June 30, 1966, $125,000,000 for the fiscal year ending June 30, 1967, $150,000,000 for the fiscal year ending June 30, 1968, $162,500,000 for the fiscal year ending June 30, 1969, $200,000,000 for each of the fiscal years ending June 30, 1970, and June 30, 1971, $210,000,000 for the fiscal year ending June 30, 1972, and $220,000,000 for the fiscal year ending June 30, 1973, and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation by the Commissioner during any year for which funds are available for obligation by the Commissioner for carrying out part B of title IV.

(20 U.S.C. 821) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 201, 79 Stat. 36; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 121, 80 Stat. 1199; amended Jan. 2, 1968, P.L. 90–247, Title III, sec. 301(b), 81 Stat. 813; amended April 13, 1970, P.L. 91–230, Title I, sec. 121(a), 84 Stat. 130; amended Aug. 21, 1974, P.L. 93–380, sec. 102(a), 88 Stat. 501.

ALLOTMENT TO STATES

Sec. 202. (a)(1) There is hereby authorized to be appropriated for each fiscal year for the purposes of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 201(b). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title. In addition, he shall allot from such amount to (A) the Secretary of the Interior the amount necessary for such assistance for children and teachers in elementary and secondary schools operated for Indian children by the Department of the Interior, and (B) the Secretary of Defense the amount necessary for such assistance for children and teachers in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purpose of this title.

---

[1] Section 519 of P.L. 93–380 provides as follows:

Sec. 519. (a) There is established, in the Office of Education, an Office of Libraries and Learning Resources (hereafter in this section referred to as the "Office"), through which the Commissioner shall administer all programs in the Office of Education related to assistance for, and encouragement of, libraries and information centers and education technology.

(b) The Office shall be headed by a Director, to whom the Commissioner shall delegate his delegable functions with respect to the programs administered through the Office.

(2) From the sums appropriated for carrying out this title for any fiscal year pursuant to section 201(b), the Commissioner shall allot to each State an amount which bears the same ratio to the total of such sums as the number of children enrolled in the public and private elementary and secondary schools of that State bears to the total number of children so enrolled in such schools in all of the States. The number of children so enrolled shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him. For purposes of this subsection, the term "State" shall not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reduction shall be similary realloted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year from funds appropriated pursuant to section 201 shall be deemed part of its allotment under section (a) for such year.

(20 U.S.C. 822) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 202, 79 Stat. 36; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 122, 80 Stat. 1199; amended Jan. 2, 1968, P.L. 90–247, Title I, sec. 121, 81 Stat. 788; amended April 13, 1970, P.L. 91–230, Title I, sec. 121(b), 84 Stat. 130; amended June 23, 1972, P.L. 92–318, sec. 421(b)(1)(A), 86 Stat. 341; amended August 21, 1974, P.L. 93–380, sec. 102(b), 88 Stat. 502.

STATE PLANS

SEC. 203 (a) Any State which desires to receive grants under this title shall submit to the Commissioner a State plan, in such detail as the Commissioner deems necessary, which—

(1) designates a State agency which shall, either directly or through arrangements with other State or local public agencies, act as the sole agency for administration of the State plan;

(2) sets forth a program under which funds paid to the State from its allotment under section 202 will be expended solely for (A) acquisition of library resources (which for the purposes of this title means books, periodicals, documents, audio-visual materials, and other related library materials), textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools in the State, and (B) administration of the State plan, including (i) the development and revision of standards relating to library resources, textbooks, and other printed and published instructional materials furnished for the use of children and teachers in the public elementary and secondary schools of

the State, and (ii) the distribution and control by a local educational agency of such library resources, textbooks, and other instructional materials in carrying out such State plan for the use of children and teachers in schools referred to in clause (A), except that the amount used for administration of the State plan for any fiscal year shall not exceed an amount equal to 5 per centum of the amount paid to the State under this title for that year or $50,000, whichever is greater;

(3) sets forth the criteria to be used in allocating library resources, textbooks, and other printed and published instructional materials provided under this title among the children and teachers of the State, which criteria shall—

(A) take into consideration the relative need, as determined from time to time, of the children and teachers of the State for such library resources, textbooks, or other instructional materials,

(B) provide assurance that to the extent consistent with law such library resources, textbooks, and other instructional materials will be provided on an equitable basis for the use of children and teachers in private elementary and secondary schools in the State which comply with the compulsory attendance laws of the State or are otherwise recognized by it through some procedure customarily used in the State,

(C) provide assurance that, in order to secure the effective and efficient use of Federal funds, there will be appropriate coordination at both State and local levels between the program carried out under this title with respect to library resources and the program (if any) carried out under the Library Services and Construction Act (20 U.S.C. ch. 16), and

(D) provide assurance that equal consideration shall be given to the needs of elementary and secondary schools for library resources, textbooks, and other printed and published materials utilized for instruction, orientation, or guidance and counseling in occupational education.

(4) sets forth the criteria to be used in selecting the library resources, textbooks, and other instructional materials to be provided under this title and for determining the proportions of the State's allotment for each fiscal year which will be expended for library resources, textbooks, and other printed and published instructional materials, respectively, and the terms by which such library resources, textbooks, and other instructional materials will be made available for the use of children and teachers in the schools of the State;

(5) sets forth policies and procedures designed to assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of State, local, and private school funds that would in the absence of such Federal funds be made available for library resources, textbooks, and other printed and published instructional materials, and in no case supplant such State, local, and private school funds;

SH-

THE

08

(6) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any such funds paid by the State to any other public agency) under this title; and

(7) provides for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(20 U.S.C. 823) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 203, 79 Stat. 37; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 123, 80 Stat. 1200; amended June 23, 1972, P.L. 92–318, sec. 509(a)(1), 86 Stat. 353.

PAYMENTS TO STATES

SEC. 204. (a) From the amounts allotted to each State under section 202 the Commissioner shall pay to that State an amount equal to the amount expended by the State in carrying out its State plan. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(b) In any State which has a State plan approved under section 203(b) and in which no State agency is authorized by law to provide library resources, textbooks, or other printed and published instructional materials for the use of children and teachers in any one or more elementary or secondary school in such State, the Commissioner shall arrange for the provision on an equitable basis of such library resources, textbooks, or other instructional materials for such use and shall pay the cost thereof for any fiscal year ending prior to July 1, 1973, out of that State's allotment.

(20 U.S.C. 824) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 204, 79 Stat. 38; amended April 13, 1970, P.L. 91–230, Title I, sec. 121(c), 84, Stat. 130.

PUBLIC CONTROL OF LIBRARY RESOURCES, TEXTBOOKS, AND OTHER INSTRUCTIONAL MATERIAL AND TYPES WHICH MAY BE MADE AVAILABLE

SEC. 205. (a) Title to library resources, textbooks, and other printed and published instructional materials furnished pursuant to this title, and control and administration of their use, shall vest only in a public agency.

(b) The library resources, textbooks, and other printed and published instructional materials made available pursuant to this title for use of children and teachers in any school in any State shall be limited to those which have been approved by an appropriate State or local educational authority or agency for use, or are used, in a public elementary or secondary school of that State.

(20 U.S.C. 825) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 205, 79 Stat. 38.

ADMINISTRATION OF STATE PLANS

SEC. 206. (a) The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State agency administering the plan reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to such State agency, finds—

(1) that the State plan has been so changed that it no longer complies with the provisions of section 203(a), or

(2) that in the administration of the plan there is a failure to comply substantially with any such provisions,

the Commissioner shall notify such State agency that the State will not be regarded as eligible to participate in the program under this title until he is satisfied that there is no longer any such failure to comply.

(20 U.S.C. 826) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 206, 79 Stat. [illegible].

JUDICIAL REVIEW

SEC. 207. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under section 203(a) or with his final action under section 206(b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 827) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 207, 79 Stat. 39.

TITLE III—SUPPLEMENTARY EDUCATIONAL CENTERS AND SERVICES; GUIDANCE, COUNSELING, AND TESTING

APPROPRIATIONS AUTHORIZED

SEC. 301. (a) The Commissioner shall carry out a program for making grants for supplementary educational centers and services, to stimulate and assist in the provision of vitaly needed educational services not available in sufficient quantity or quality, and to stimulate and assist in the development and establishment of exemplary elementary and secondary school educational programs to serve as models for regular school programs, and to assist the States in establishing and maintaining programs of testing and guidance and counseling.

(b) For the purpose of making grants under this title, there is hereby authorized to be appropriated the sum of $550,000,000 for the fiscal year ending June 30, 1971, $575,000,000 for the fiscal year ending June 30, 1972, and $605,000,000 for the fiscal year ending June 30, 1973, and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation by the Commissioner during any year for which funds are available for obligation by the Commissioner for carrying out part C of title IV. In addition, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1971, and each of the succeeding fiscal years, such sums as may be necessary for the administration of State plans, the activities of advisory councils, and the evaluation and dissemination activities required under this title.

(20 U.S.C. 841) Enacted April 11, 1965, P.L. 89–10, Title III, sec. 301, 79 Stat. 39; amended Nov 3, 1966, P.L. 89–750, Title I, sec. 131, 80 Stat. 1201; amended Jan. 2, 1968, P.L. 90–247, Title I, sec. 131, 81 Stat. 788; amended April 13, 1970, P.L. 91–230, Title I, sec. 131(a)(1), 84 Stat. 130; amended August 21, 1974, P.L. 93–380, sec. 103(a), 88 Stat. 502.

ALLOTMENT AMONG STATES

Sec. 302. (a)(1) There is hereby authorized to be appropriated for each fiscal year for the purposes of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for grants under this title. The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title. In addition, he shall allot from such amount to (A) the Secretary of the Interior the amount necessary to provide programs and projects for the purpose of this title for individuals on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, and (B) the Secretary of Defense the amount necessary for such assistance for children and teachers in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

(2) From the sums appropriated for making grants under this title for any fiscal year pursuant to section 301(b), the Commissioner shall allot $200,000 to each State and shall allot the remainder of such sums among the States as follows:

(A) He shall allot to each State an amount which bears the same ratio to 50 per centum of such remainder as the number of children aged five to seventeen, inclusive, in the State bears to the number of such children in all the States, and

(B) He shall allot to each State an amount which bears the same ratio to 50 per centum of such remainder as the population of the State bears to the population of all the States.

For the purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The number of children aged five to seventeen, inclusive, and the total population of a State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(c) The amount allotted to any State under subsection (a) for any fiscal year, which the Commissioner determines will not be required for the period for which that amount is available, shall be available for grants pursuant to section 306 in such State, and if not so needed may be reallotted or used for grants pursuant to section 306 in other States. Funds available for reallotment may be reallotted from time to time, on such dates during that period as the Commissioner may fix, among other States in proportion to the amounts originally allotted among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates that State needs and will be able to use for that period; and the total of these reductions may be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection from funds appropriated pursuant to section 301 for any fiscal year shall be deemed to be a part of the amount allotted to it under subsection (a) for that year.

(d) The amounts made available under the first sentence of subsection (c) for any fiscal year shall remain available for grants during the next succeeding fiscal year.

(20 U.S.C. 842) Enacted April 11, 1965, P.L. 89-10, Title III, sec. 302, 79 Stat. 40; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 132, 80 Stat. 1201; amended Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 789; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a)(1), 84 Stat. 131; amended June 23, 1972, P.L. 92-318, sec. 421(b)(1)(B), 86 Stat. 341.

USES OF FEDERAL FUNDS

SEC. 303. (a) It is the purpose of this title to combine within a single authorization, subject to the modifications imposed by the provisions and requirements of this title, the programs formerly authorized by this title and title V-A of the National Defense Education Act of 1958, and except as expressly modified by this title, Federal funds may be used for the same purposes and the funding of the same types of programs previously authorized by those titles.

(b) Funds appropriated pursuant to section 301 shall be available only for grants in accordance with applications approved pursuant to this title for—

(1) planning for and taking other steps leading to the development of programs or projects designed to provide supplementary educational activities and services described in paragraphs (2) and (3), including pilot projects designed to test the effectiveness of plans so developed;

(2) the establishment or expansion of exemplary and innovative educational programs (including dual-enrollment programs and the lease or construction of necessary facilities) for the purpose of stimulating the adoption of new educational programs (including those described in section 503(4) and special programs for handicapped children) in the schools of the State; and

(3) the establishment, maintenance, operation, and expansion of programs or projects, including the lease or construction of necessary facilities and the acquisition of necessary equipment, designed to enrich the programs of local elementary and secondary schools and to offer a diverse range of educational experience to persons of varying talents and needs by providing, especially through new and improved approaches, supplementary educational services and activities, such as—

(A) remedial instruction, and school health, physical education, recreation, psychological, social work, and other services designed to enable and encourage persons to enter, remain in, or reenter educational programs, including the provision of special educational programs and study areas during periods when schools are not regularly in session;

(B) comprehensive academic services and, where appropriate, vocational guidance and counseling, for continuing adult education;

(C) programs designed to encourage the development in elementary and secondary schools of occupational information and counseling and guidance, and instruction in occupational education on an equal footing with traditional academic education;

(D) specialized instruction and equipment for students interested in studying advanced scientific subjects, foreign languages, and other academic subjects which are not taught in the local schools or which can be provided more effectively on a centralized basis, or for persons who are handicapped or of preschool age;

(E) making available modern educational equipment and specially qualified personnel, including artists and musicians, on a temporary basis for the benefit of children in public and other nonprofit schools, organizations, and institutions;

(F) developing, producing, and transmitting radio and television programs for classroom and other educational use;

(G) in the case of any local educational agency which is making a reasonable tax effort but which is nevertheless unable to meet critical educational needs (including preschool education), because some or all of its schools are seriously overcrowded, obsolete, or unsafe, initiating and carrying out programs or projects designed to meet those needs, particularly those which will result in more effective use of existing facilities;

(H) providing special educational and related services for persons who are in or from rural areas or who are or have been otherwise isolated from normal educational opportunities, including, where appropriate, the provision of mobile educational services and equipment, special home study courses, radio, television, and related forms of instruction, bilingual education methods and visiting teachers' programs;

(I) encouraging community involvement in educational programs;

(J) providing programs for gifted and talented children; and

(K) other specially designed educational programs or projects which meet the purposes of this title; and

(4) programs for testing students in the public and private elementary and secondary schools and in junior colleges and technical institutes in the State, and programs designed to improve guidance and counseling services at the appropriate levels in such schools.

(c) In addition to the uses specified in subsection (b), funds appropriated for carrying out this title may be used for—

(1) proper and efficient administration of State plans;

(2) obtaining technical, professional, and clerical assistance and the services of experts and consultants to assist the advisory councils authorized by this title in carrying out their responsibilities; and

(3) evaluation of plans, programs, and projects, and dissemination of the results thereof.

(20 U.S.C. 843) Enacted April 11, 1965, P.L. 89–10, Title III, sec. 303, 79 Stat. 40; amended Nov. 3, 1966, P.L. 89–750, Title I, sec 152(b), 80 Stat. 1203, amended Jan. 2, 1968, P.L. 90–247, Title I, sec. 131, 81 Stat. 790; amended April 13, 1970, Title I, P.L. 91–230, sec. 131(a)(1), 84 Stat. 132; renumbered and clause (c) added June 23, 1972, P.L. 92–318, sec. 509(a)(2), 86 Stat. 353.

APPLICATION FOR GRANTS; CONDITIONS FOR APPROVAL

SEC. 304. (a) A grant under this title pursuant to an approved State plan or by the Commissioner for a supplementary educational center or service program or project may be made only to a local educational agency or agencies, and then only if there is satisfactory assurance that, in the planning of that program or project there has been, and in the establishment and carrying out thereof there will be, participation of persons broadly representative of the cultural and educational resources of the area to be served. The term "cultural and educational resources" includes State educational agencies, institutions of higher education, nonprofit private schools, public and nonprofit private agencies such as libraries, museums, musical and artistic organizations, educational radio and television, and other cultural and educational resources. Such grants may be made only upon application to the appropriate State educational agency or to the Commissioner, as the case may be, at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary. Such application shall—

(1) provide that the activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(2) set forth a program for carrying out the purposes set forth in section 303(b) and provide for such methods of administration as are necessary for the proper and efficient operation of the programs;

(3) set forth policies and procedures which assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in section 303(b), and in no case supplant such funds;

(4) provide, in the case of an application for assistance under this title which includes a project for the construction of necessary facilities, satisfactory assurance that—

(A) reasonable provision has been made, consistent with the other uses to be made of the facilities, for areas in such facilities which are adaptable for artistic and cultural activities,

(B) upon completion of the construction, title to the facilities will be in a State or local educational agency, and

(C) in developing plans for such facilities (i) due consideration will be given to excellence of architecture and design and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project), and (ii) there will be compliance with such standards as the Secretary may prescribe or approve in order to insure that, to the extent appropriate in view of the uses to be made of the facilities, such facilities are accessible to and usable by handicapped persons;

(5) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(6) provide for making an annual report, and such other reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title and to determine the extent to which funds provided under this title have been effective in improving the educational opportunities of persons in the area served, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) An application by a local educational agency for a grant under this title may be approved only if it is consistent with the applicable provisions of this title and—

(1) meets the requirements set forth in subsection (a);

(2) provides that the program or project for which application is made—

(A) will utilize the best available talents and resources and will substantially increase the educational opportunities in the area to be served by the applicant, and

(B) to the extent consistent with the number of children enrolled in nonprofit private schools in the area to be served whose educational needs are of the type provided by the program or project, makes provision for the participation of such children; and

(3) has been reviewed by a panel of experts.

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

(20 U.S.C. 844) Enacted April 11, 1965, P.L. 89-10, Title III, sec. 304, 79 Stat. 41; amended Nov. 3, 1966, P.L. 89-750, Title I, secs. 133, 134, 80 Stat. 1201, 1202; amended Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 791; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a)(1), 84 Stat. 133.

STATE PLANS

SEC. 305. (a)(1) Any State desiring to receive payments for any fiscal year to carry out a State plan under this title shall (A) establish within its State educational agency a State advisory council (hereinafter referred to as the State advisory council) which meets the requirements of this subsection, (B) set dates before which local educational agencies must have submitted applications for grants to the State educational agency, and (C) submit to the Commissioner, through its State educational agency, a State plan at such time and in such detail as the Commissioner may deem necessary. The Commissioner may, by regulation, set uniform dates for the submission of State plans and applications.

(2) The State advisory council, established pursuant to paragraph (1) shall—

(A) be appointed by the State educational agency, and be broadly representative of the cultural and educational resources of the State (as defined in section 304(a)) and of the public, including persons representative of—

(i) elementary and secondary schools,

(ii) institutions of higher education, and

(iii) areas of professional competence in dealing with children needing special education because of physical or mental handicaps;

(B) advise the State educational agency on the preparation of, and policy matters arising in the administration of, the State plan, including the development of criteria for approval of applications under such State plan;

(C) review, and make recommendations to the State educational agency on the action to be taken with respect to, each application for a grant under the State plan;

(D) evaluate programs and projects assisted under this title; and

(E) prepare and submit through the State educational agency a report of its activities, recommendations, and evaluations, together with such additional comments as the State educational agency deems appropriate, to the Commissioner and to the National Advisory Council, established pursuant to this title, at such times, in such form, and in such detail, as the Secretary may prescribe.

(3) Not less than ninety days prior to the beginning of any fiscal year in which a State desires to receive a grant under this title, such State shall certify the establishment of, and membership of, its State advisory council to the Commissioner.

(4) Each State advisory council shall meet within thirty days after certification has been accepted by the Commissioner and select from its membership a chairman. The time, place, and manner of meeting shall be as provided by such council, except that such council shall have not less than one public meeting each year at which the public is given opportunity to express views concerning the administration and operation of this title.

(5) State advisory councils shall be authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this title and to contract for such services as may be necessary to enable them to carry out their evaluation functions.

(b) The Commissioner shall approve a State plan, or modification thereof, if he determines that the plan submitted for that fiscal year—

(1)(A) except in the case of funds available for the purpose described in paragraph (4) of section 303(b),[1] sets forth a program (including educational needs, and their basis, and the manner in which the funds paid to the State under this title shall be used in meeting such educational needs) under which funds paid to the State under section 307(a) will be expended solely for the improvement of education in the State through grants to local educational agencies for programs or projects in accordance with sections 303 and 304: *Provided*, That, in the case of a State educational agency that also is a local educational agency, its approval of a program or project to be carried out by it in the latter capacity shall, for the purposes of this title, be deemed an award of a grant by it upon application of a local educational agency if the State plan contains, in addition to the provisions otherwise required by this section, provisions and assurances (applicable to such programs or project) that are fully equivalent to those otherwise required of a local educational agency;

(B) in the case of funds available for the purpose described in paragraph (4) of section 303(b), sets forth—

(i) a program for testing students in the public elementary and secondary schools of such State or in the public junior colleges and technical institutes of such State, and, if authorized by law, in other elementary and secondary schools and in other junior colleges and technical institutes in such State, to identify students with outstanding aptitudes and ability, and the means of testing which will be utilized in carrying out such program; and

(ii) a program of guidance and counseling at the appropriate levels in the public elementary and secondary schools or public junior colleges and technical institutes of such State, (A) to advise students of courses of study best suited to their ability, aptitudes and skills, (B) to advise students in their decisions as to the type of educational program they should pursue, the vocation they train for and enter, and the job opportunities in the various fields, and (C) to encourage students with outstanding aptitudes and ability to complete their secondary school education, take the necessary courses for admission to institutions of higher education, and enter such institutions and such programs may include, at the discretion of such State agency, short-term sessions for persons engaged in guidance and counseling in elementary and secondary schools, junior colleges, and technical institutes in such State;

---

[1] Sec. 131(b) of Public Law 91–230 provides as follows:

"(b) In the case of any fiscal year ending prior to July 1, 1973, each State submitting a State plan under title III of the Elementary and Secondary Education Act of 1965 shall assure the Commissioner of Education that it will expend for the purpose described in paragraph (4) of section 303(b) of such title III an amount at least equal to 50 per centum of the amount expended by that State for the purposes of title V–A of the National Defense Education Act of 1958 from funds appropriated pursuant to such title V–A for the fiscal year ending June 30, 1970."

(2) sets forth the administrative organization and procedures, including the qualifications for personnel having responsibilities in the administration of the plan in such detail as the Commissioner may prescribe by regulation;

(3) sets forth criteria for achieving an equitable distribution of assistance under this title, which criteria shall be based on consideration of (A) the size and population of the State, (B) the geographic distribution and density of the population within the State, and (C) the relative need of persons in different geographic areas and in different population groups within the State for the kinds of services and activities described in section 303, and the financial ability of the local educational agencies serving such persons to provide such services and activities;

(4) provides for giving special consideration to the application of any local educational agency which is making a reasonable tax effort but which is nevertheless unable to meet critical educational needs, including preschool education for four- and five-year-olds and including where appropriate bilingual education, because some or all of its schools are seriously overcrowded (as a result of growth or shifts in enrollment or otherwise), obsolete, or unsafe;

(5) provides that, in approving applications for grants for programs or projects, applications proposing to carry out programs or projects planned under this title will receive special consideration;

(6) provides for adoption of effective procedures (A) for the evaluation, at least annually, of the effectiveness of the programs and projects, by the State advisory council, supported under the State plan in meeting the purposes of this title (B) for appropriate dissemination of the results of such evaluations and other information pertaining to such programs or projects, and (C) for adopting, where appropriate, promising educational practices developed through such programs or projects;

(7) provides that not less than 50 per centum of the amount which such State receives to carry out the plan in such fiscal year shall be used for purposes of paragraphs (1) and (2) of section 303(b);

(8) provides that not less than 15 per centum of the amount which such State receives to carry out the plan in such fiscal year shall be used for special programs or projects for the education of handicapped children;

(9) sets forth policies and procedures which give satisfactory assurance that Federal funds made available under this title for any fiscal year (A) will not be commingled with State funds, and (B) will be so used as to supplement and, to the extent practical, increase the fiscal effort (determined in accordance with criteria prescribed by the Commissioner, by regulation) that would, in the absence of such Federal funds, be made by the applicant for educational purposes;

(10) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this title;

(11) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title and to determine the extent to which funds provided under this title have been effective in improving the educational opportunities of persons in the areas served by the programs or projects supported under the State plan and in the State as a whole, including reports of evaluations made in accordance with objective measurements under the State plan pursuant to paragraph (6), and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

(12) provides that final action with respect to any application (or amendment thereof) regarding the proposed final disposition thereof shall not be taken without first affording the local educational agency or agencies submitting such application reasonable notice and opportunity for a hearing; and

(13) contains satisfactory assurance that, in determining the eligibility of any local educational agency for State aid or the amount of such aid, grants to that agency under this title shall not be taken into consideration.

(c) The Commissioner may, if he finds that a State plan for any fiscal year ending prior to July 1, 1978, is in substantial compliance with the requirements set forth in subsection (b), approve that part of the plan which is in compliance with such requirements and make available (pursuant to section 307) to that State that part of the State's allotment which he determines to be necessary to carry out that part of the plan so approved. The remainder of the amount which such State is eligible to receive under this section may be made available to such State only if the unapproved portion of that State plan has been so modified as to bring the plan into compliance with such requirements: *Provided*, That the amount made available to a State pursuant to this subsection shall not be less than 50 per centum of the maximum amount which the State is eligible to receive under this section.

(d)[1] A State which has had a State plan approved for any fiscal year may receive for the purpose of carrying out such plan, an amount not in excess of 85 per centum of its allotment pursuant to section 302.

---

[1] **Repealed effective July 1, 1975 (sec. 402(c)(2), P.L. 93–380).**

(e) (1) The Commissioner shall not finally disapprove any plan submitted under subsection (a), or any modification thereof, without first affording the State educational agency submitting the plan reasonable notice and opportunity for a hearing.

(2) Whenever the Commissioner, after reasonable notice and opportunity for hearings to any State educational agency, finds that there has been a failure to comply substantially with any requirement set forth in the plan of that State approved under section 305 or with any requirement set forth in the application of a local educational agency approved pursuant to section 304, the Commissioner shall notify the agency that further payments will not be made to the State under this title (or, in his discretion, that the State educational agency shall not make further payments under this title to specified local educational agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made to the State under this title, or payments by the State educational agency under this title shall be limited to local educational agencies not affected by the failure, as the case may be.

(3) (A) If any State is dissatified with the Commissioner's final action with respect to the approval of a plan submitted under subsection (a) or with his final action under paragraph (2), such State may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2112 of title 28, United States Code.

(B) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings.

(C) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(f) (1) If any local educational agency is dissatisfied with the final action of the State educational agency with respect to approval of an application of such local agency for a grant pursuant to this title, such local agency may, within sixty days after such final action or notice thereof, whichever is later, file with the United States court of appeals for the circuit in which the State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the State educational agency. The State educational agency thereupon shall file in the court the record of the proceedings on which the State educational agency based its action as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the State educational agency, if supported by substantial evidence shall be conclusive; but the court, for good cause shown, may remand the case to the State educational agency to take further evidence, and the State educational agency may thereupon make new or modified findings of fact and may modify its previous action, and shall certify to the court the record of the further proceedings.

(3) The court shall have jurisdiction to affirm the action of the State educational agency or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 844a) Enacted Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 792; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a)(1) 84 Stat. 135.

SPECIAL PROGRAMS AND PROJECTS [1]

SEC. 306. (a) From the amount allotted to any State pursuant to section 302 which is not available to that State under a State plan approved pursuant to section 305, the Commissioner is authorized, subject to the provisions of section 304, to make grants to local educational agencies in such State for programs or projects which meet the purposes of section 303 and which, in the case of a local educational agency in a State which has a State plan approved, hold promise of making a substantial contribution to the solution of critical educational problems common to all or several States. The Commissioner may not approve an application under this section unless the application has been submitted to the appropriate State educational agency for comment and recommendation with respect to the action to be taken by the Commissioner regarding the disposition of the application.

(b) Not less than 15 per centum of the funds granted pursuant to this section in any fiscal year shall be used for programs or projects designed to meet the special educational needs of handicapped children.

(20 U.S.C. 844b) Enacted Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 796; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a)(1), 84 Stat. 139.

PAYMENTS

SEC. 307. (a) From the allotment to each State pursuant to section 302, for any fiscal year, the Commissioner shall pay to each State, which has had a plan approved pursuant to section 305 for that fiscal year, the amount necessary to carry out its State plan as approved.

(b) The Commissioner is authorized to pay to each State amounts necessary for the activities described in section 303(c), during any fiscal year, except that (1) the total of such payments shall not be in excess of an amount equal to 7½ per centum of its allotment for that fiscal year or, $150,000 ($50,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), whichever is greater, and (2) in such payment, the amount paid for the administration of the State plan for any fiscal year shall not exceed an amount equal to 5 per centum of its allotment for that fiscal year or $100,000 ($35,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), whichever is greater.

---

[1] Section 306 is repealed, effective July 1, 1975 (sec. 402(c)(2), P.L. 93-380).

(c)[1] The Commissioner shall pay to each applicant which has an application approved pursuant to section 306 the amount necessary to carry out the program or project pursuant to such application.

(d) Payments under this section may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(e) No payments shall be made under this title to any local educational agency or to any State unless the Commissioner finds, in the case of a local educational agency, that the combined fiscal effort of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year or, in the case of a State, that the fiscal effort of that State for State aid (as defined by regulation) with respect to the provision of free public education in that State for the preceding fiscal year was not less than such fiscal effort for State aid for the second preceding fiscal year.

(f)(1) In any State which has a State plan approved under section 305(c) and in which no State agency is authorized by law to provide, or in which there is a substantial failure to provide, for effective participation on an equitable basis in programs authorized by this title by children enrolled in any one or more private elementary or secondary schools of such State in the area or areas served by such programs, the Commissioner shall arrange for the provision, on an equitable basis, of such programs and shall pay the costs thereof for any fiscal year out of that State's allotment. The Commissioner may arrange for such programs through contracts with institutions of higher education, or other competent nonprofit institutions or organizations.

(2) In determining the amount to be withheld from any State's allotment for the provision of such programs, the Commissioner shall take into account the number of children and teachers in the area or areas served by such programs who are excluded from participation therein and who, except for such exclusion, might reasonably have been expected to participate.

(g)(1) The Commissioner shall not take any final action under subsection (f) until he has afforded the State educational agency and the local educational agency affected by such action at least sixty days notice of his proposed action and an opportunity for a hearing with respect thereto on the record.

(2) If a State or local educational agency is dissatified with the Commissioner's final action after a hearing under paragraph (1) of this paragraph, it may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court

---

[1] Subsection (c) repealed, effective July 1, 1975 (sec. 402(c)(2), P.L. 93-380).

the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(3) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(4) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 845) Enacted April 11, 1965, P.L. 89–10, Title III, sec. 307, formerly sec. 305, 79 Stat. 43; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, sec. 131 81 Stat. 796; amended April 13, 1970, P.L. 91–230, Title I, sec. 131(a)(1), 84 Stat. 139; amended August 21, 1974, P.L. 93–380, sec. 103(d), 88 Stat. 502.

RECOVERY OF PAYMENTS

SEC. 308. If within twenty years after completion of any construction for which Federal funds have been paid under this title—

(a) the owner of the facility shall cease to be a State or local educational agency, or

(b) the facility shall cease to be used for the educational and related purposes for which it was constructed, unless the Commissioner determines in accordance with regulations that there is good cause for releasing the applicant or other owner from the obligation to do so,

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

(20 U.S.C. 847) Enacted April 11, 1965, P.L. 89–10, Title III, sec. 308, formerly sec. 307, 79 Stat. 44; redesignated Jan. 2, 1968, P.L. 90–247, Title I, sec. 131, 81 Stat. 797; amended April 13, 1970, P.L. 91–230, Title I, sec. 131(a)(1), 84 Stat. 140.

NATIONAL ADVISORY COUNCIL

SEC. 309. (a) The President shall appoint a National Advisory Council on Supplementary Centers and Services which shall—

(1) review the administration of, general regulations for, and operation of this title, including its effectiveness in meeting the purposes set forth in section 303;

(2) review, evaluate, and transmit to the Congress and the President the reports submitted pursuant to section 305(a)(2)(E);

(3) evaluate programs and projects carried out under this title and disseminate the results thereof; and

(4) make recommendations for the improvement of this title, and its administration and operation.

(b) The Council shall be appointed by the President without regard to the civil service laws and shall consist of twelve members, a majority of whom shall be broadly representative of the educational and cultural resources of the United States including at least one person who has professional competence in the area of education of handicapped children. Such members shall be appointed for terms of 3 years except that (1) in the case of the initial members, four shall be appointed for terms of 1 year each and four shall be appointed for terms of 2 years each, and (2) appointments to fill the unexpired portion of any terms shall be for such portion only. When requested by the President, the Secretary of Health, Education, and Welfare shall engage such technical and professional assistance as may be required to carry out the functions of the Council, and shall make available to the Council such secretarial, clerical and other assistance and such pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out its functions.

(c) The Council shall make an annual report of its findings and recommendations (including recommendations for changes in the provisions of this title) to the President and the Congress not later than January 20 of each year. The President is requested to transmit to the Congress such comments and recommendations as he may have with respect to such report. Subject to section 448(b) of the General Education Provisions Act, the Council shall continue to exist until July 1, 1978, except that the Council shall not exist during any year for which funds are available for obligation by the Commissioner for carrying out title IV.

(20 U.S.C. 847a) Enacted Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 797; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a)(1), 84 Stat. 140; amended August 21, 1974, P.L. 93-380, sec. 845(b), 88 Stat. 612.

TITLE IV—LIBRARIES, LEARNING RESOURCES, EDUCATIONAL INNOVATION, AND SUPPORT

PART A—GENERAL PROVISIONS

AUTHORIZATION OF APPROPRIATIONS

SEC. 401. (a)(1) Subject to the provisions of paragraph (2), there is authorized to be appropriated the sum of $395,000,000 for obligation by the Commissioner during the fiscal year ending June 30, 1976, and such sums as may be necessary for obligation by the Commissioner during each of the two succeeding fiscal years, for the purpose of making grants under part B (Libraries and Learning Resources) of this title.

(2) No funds are authorized to be appropriated under this subsection for obligation by the Commissioner during any fiscal year unless—

(A)(i) aggregate amount which would be appropriated under this subsection is at least equal to the aggregate amount appropriated for obligation by the Commissioner during the preceding fiscal year in which part B was in effect, or

(ii) in the case of appropriations under this subsection for the first fiscal year in which part B is effective, such amount is at least equal to the aggregate amount appropriated for obligation by the Commissioner for the fiscal year ending June 30, 1974, or for the preceding fiscal year, whichever is higher, under title II and so much of title III as relates to testing, guidance, and counseling of this Act, and under title III (except for section 305) of the National Defense Education Act of 1958, and

(B) the sums appropriated pursuant to this subsection are included in an Act making appropriations for the fiscal year prior to the fiscal year in which such sums will be obligated, and are made available for expenditure prior to the beginning of such fiscal year.

(b)(1) Subject to the provisions of paragraph (2), there is authorized to be appropriated the sum of $350,000,000 for obligation by the Commissioner during the fiscal year ending June 30, 1976, and such sums as may be necessary for obligation by the Commissioner during each of the two succeeding fiscal years, for the purpose of making grants under part C (Educational Innovation and Support) of this title.

(2) No funds are authorized to be appropriated under this subsection for obligation by the Commissioner during any fiscal year unless—

(A)(i) the aggregate amount which would be appropriated under this subsection is at least equal to the aggregate amount appropriated for obligation by the Commissioner during the preceding fiscal year in which part C was in effect, or

(ii) in the case of appropriations under this subsection for the first fiscal year in which part C is effective, such amount is at least equal to the aggregate amount appropriated for obligation by the Commissioner for fiscal year ending June 30, 1974, or for the preceding fiscal year, whichever is higher, under title III (except for programs of testing, guidance, and counseling), title V, and sections 807 and 808 of this Act, and

(B) the sums appropriated pursuant to this subsection are included in an Act making appropriations for the first year prior to the fiscal year in which such sums will be obligated, and are made available for expenditure prior to the beginning of such fiscal year.

(c)(1) In the first fiscal year in which appropriations are made pursuant to part B, 50 per centum of the funds so appropriated shall be available to the States to carry out part B of this title. The remainder of such funds shall be available to the States and shall be allotted to the States, or to the Commissioner, as the case may be, in such year, pursuant to title II and so much of title III as relates to testing, guidance, and counseling under this Act, and under title III (except for section 305) of the National Defense Education Act of 1958, for each such program in an amount which bears the same ratio to such remainder as the amount appropriated for each such program for the fiscal year ending June 30, 1974, or for the fiscal year preceding the fiscal year for which the determination is made, whichever is higher, bears to the aggregate of such appropriated amounts. The amounts made available under the second sentence of this paragraph shall be subject to the provisions of law governing each such program.

(2) In the first fiscal year in which appropriations are made pursuant to part C, 50 per centum of the funds so appropriated shall be available to carry out part C of this title. The remainder of such funds shall be available to the States and shall be allotted to the States, or to the Commissioner, as the case may be, in such year, pursuant to title III (except for programs of testing, guidance, and counseling), title V, and sections 807 and 808 of this Act, for each such program in an amount which bears the same ratio to such remainder as the amount appropriated for each such program for the fiscal year ending June 30, 1974, or for the fiscal year preceding the fiscal year for which the determination is made, whichever is higher, bears to the aggregate of such appropriated amounts. The amount made available under the second sentence of this paragraph shall be subject to the provisions of law governing each such program.

(20 U.S.C. 1801) Enacted August 21, 1974, P.L. 93-380, sec. 401, 88 Stat. 535, 537.

ALLOTMENT TO THE STATES

SEC. 402. (a)(1) There is hereby authorized to be appropriated for each fiscal year for the purposes of this paragraph amounts equal to not more than 1 per centum of each of the amounts appropriated for such year under subsections (a) or (b), or both, of section 401. The Commissioner shall allot each of the amounts appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under part B or part C, or both, of this title. In addition, for each fiscal year he shall allot from each of such amounts to (A) the Secretary of the Interior the amounts necessary for the programs authorized by each such part for children and teachers in elementary and secondary schools operated for Indian children by the Department of the Interior, and (B) the Secretary of Defense the amounts necessary for the programs authorized by each such part for children and teachers in the overseas dependents schools of the Department of Defense. The terms upon which payment for such purposes shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

(2) From the amounts appropriated to carry out part B or part C, or both, of this title for any fiscal year pursuant to subsections (a) and (b) of section 401, the Commissioner shall allot to each State from each such amount an amount which bears the same ratio to such amount as the number of children aged five to seventeen, inclusive, in the State bears to the number of such children in all the States. For the purposes of this subsection, the term 'State' shall not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands. The number of children aged five to seventeen, inclusive, in a

State and in all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(b) The amount of any State's allotment under subsection (a) for any fiscal year to carry out part B or C which the Commissioner determines will not be required for such fiscal year to carry out such part shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year from funds appropriated pursuant to section 401 shall be deemed a part of its allotment under subsection (a) for such year.

(20 U.S.C. 1802) Enacted August 21, 1974, P.L. 93–380, sec. 401, 88 Stat. 537, 538.

STATE PLANS

SEC. 403. (a) Any State which desires to receive grants under this title shall establish an advisory council as provided by subsection (b) and shall submit to the Commissioner a State plan, in such detail as the Commissioner deems necessary, which—

(1) designates the State educational agency as the State agency which shall, either directly or through arrangements with other State or local public agencies, act as the sole agency for the administration of the State plan;

(2) sets forth a program under which funds paid to the State from its allotments under section 402 will be expended solely for the programs and purposes authorized by parts B and C of this title, and for administration of the State plan;

(3) provides assurances that the requirements of section 406 (relating to the participation of pupils and teachers in nonpublic elementary and secondary schools) will be met, or certifies that such requirements cannot legally be met in such State;

(4) provides assurances that (A) funds such agency receives from appropriations made under section 401(a) will be distributed among local educational agencies according to the enrollments in public and nonpublic schools within the school districts of such agencies, except that substantial funds will be provided to (i) local educational agencies whose tax effort for education is substantially greater than the State average tax effort for education, but whose per pupil expenditure (excluding payments made under title I of this Act) is no greater than the average per pupil expenditure in the State, and (ii) local educational agencies which have the greatest numbers of percentages of children whose education imposes a higher than average cost per child, such as children from low-income families, children living in sparsely populated areas, and children from families in which English is not the dominant language; and (B) funds such agency receives from appropriations made under section 401(b) will be distrib-

uted among local educational agencies on an equitable basis recognizing the competitive nature of the grantmaking except that the State educational agency shall provide assistance in formulating proposals and in operating programs to local educational agencies which are less able to compete due to small size or lack of local financial resources; and the State plan shall set forth the specific criteria the State educational agency has developed and will apply to meet the requirements of this paragraph;

(5) provides that each local educational agency will be given complete discretion (subject to the provisions of section 406) in determining how the funds it receives from appropriations made under section 401(a) will be divided among the various programs described in section 421, except that, in the first year in which appropriations are made pursuant to part B, each local educational agency will be given complete discretion with respect to 50 per centum of the funds appropriated for that part attributable to that local educational agency;

(6) provides for the adoption of effective procedures (A) for an evaluation by the State advisory council, at least annually, of the effectiveness of the program and projects assisted under the State plan, (B) for the appropriate dissemination of the results of such evalutions and other information pertaining to such programs or projects, and (C) for the adoption, where appropriate, of promising educational practices developed through innovative programs supported under part C;

(7) provides that local educational agencies applying for funds under any program under this title shall be required to submit only one application for such funds any one fiscal year;

(8) provides—

(A) that, of the funds the State receives under section 401 for the first fiscal year for which such funds are available, such agency will use for administration of the State plan not to exceed whichever is greater (i) 5 per centum of the amount so received ($50,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), excluding any part of such amount used for purposes of section 431(a)(3), or (ii) the amount it received for the fiscal year ending June 30, 1973, for administration of the programs referred to in sections 421(b) and 431(b), and that the remainder of such funds shall be made available to local educational agencies to be used for the purposes of parts B and C, respectively; and that, of the funds the State receives under section 401 for fiscal years thereafter, it will use for administration of the State plan not to exceed whichever is greater (i) 5 per centum of the amount so received ($50,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), excluding any part of such amount used for purposes of section 431(a)(3), or (ii) $225,000, and that the remainder of such funds shall be made available to local educational agencies to be used for purposes of parts B and C, respectively.

(B) that not less than 15 per centum of the amount received pursuant to section 401(b) in any fiscal year (not including any amount used for purposes of section 431(a)(3)) shall be used for special programs or projects for the education of children with specific learning disabilities and handicapped children, and

(C) that not more than the greater of (i) 15 per centum of the amount which such State receives pursuant to section 401(b) in any fiscal year, or (ii) the amount available by appropriation to such State in the fiscal year ending June 30, 1973, for purposes covered by section 431(a)(3), shall be used for purposes of section 431(a)(3) (relating to strengthening State and local educational agencies);

(9) provides assurances that in the case of any project for the repair, remodeling, or construction of facilities, that the facilities shall be accessible to and usable by handicapped persons;

(10) sets forth policies and procedures which give satisfactory assurance that Federal funds made available under this title for any fiscal year will not be commingled with State funds; and

(11) gives satisfactory assurance that the aggregate amount to be expended by the State and its local educational agencies from funds derived from non-Federal sources for programs described in section 421(a) for a fiscal year will not be less than the amount so expended for the preceding fiscal year.

(b)(1) The State advisory council, established pursuant to subsection (a), shall—

(A) be appointed by the State educational agency or as otherwise provided by State law and be broadly representative of the cultural and educational resources of the State (as defined in section 432) and of the public, including persons representative of—

(i) public and private elementary and secondary schools,

(ii) institutions of higher education, and

(iii) fields of professional competence in dealing with children needing special education because of physical or mental handicaps, specific learning disabilities, severe educational disadvantage, and limited English-speaking ability or because they are gifted or talented, and of professional competence in guidance and counseling;

(B) advise the State educational agency on the preparation of, and policy matters arising in the administration of, the State plan, including the development of criteria for the distribution of funds and the approval of applications for assistance under this title;

(C) evaluate all programs and projects assisted under this title; and

(D) prepare at least annually and submit through the State educational agency a report of its activities, recommendations, and evaluations, together with such additional comments as the State educational agency deems appropriate, to the Commissioner.

(2) Not less than ninety days prior to the beginning of any fiscal year for which funds will be available for carrying out this title, each

State shall certify the establishment of, and membership of (including the name of the person designated as Chairman), its State advisory council to the Commissioner.

(3) Each State advisory council shall meet within thirty days after certification has been accepted by the Commissioner and establish the time, place, and manner of its future meetings, except that such council shall have not less than one public meeting each year at which the public is given an opportunity to express views concerning the administration and operation of this title.

(4) Each State advisory council shall be auhorized to obtain the services of such professional, technical, and clerical personnel, and to contract for such other services as may be necessary to enable them to carry out their functions under this title, and the Commisioner shall assure that funds sufficient for these purposes are made available to each council from funds available for administration of the State plan.

(c) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsections (a) and (b) of this section.

(20 U.S.C. 1803) Enacted August 21, 1974, P.L. 93–380, sec. 401, 88 Stat. 538, 540.

ADMINISTRATION OF STATE PLANS

SEC. 404. The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

(20 U.S.C. 1804) Enacted August 21, 1974, P.L. 93–380, sec. 401, 88 Stat. 540.

PAYMENTS TO STATES

SEC. 405. From the amounts allotted to each State under section 402 for carrying out the programs authorized by parts B and C, respectively, the Commissioner shall pay to that State an amount equal to the amount expended by the State in carrying out its State plan (after withholding any amount necessary pursuant to section 406(f)).

(20 U.S.C. 1805) Enacted August 21, 1974, P.L. 93–380, sec. 401, 88 Stat. 541.

PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

SEC. 406. (a) To the extent consistent with the number of children in the school district of a local educational agency (which is a recipient of funds under this title or which serves the area in which a program or project assisted under this title is located) who are enrolled in private nonprofit elementary and secondary schools, such agency, after consultation with the appropriate private school officials, shall provide for the benefit of such children in such schools secular, neutral and nonideological services, materials, and equipment including the repair, minor remodeling, or construction of public school facilities as may be necessary for their provision (consistent with subsection (c) of this section), or, if such services, materials, and equipment are not feasible or necessary in one or more such private schools as determined by the local educational agency after consultation with the appropriate private school officials, shall provide such other arrangements as will assure equitable participation of such children in the purposes and benefits of this title.

(b) Expenditures for programs pursuant to subsection (a) shall be equal (consistent with the number of children to be served) to expenditures for programs for children enrolled in the public schools of the local educational agency, taking into account the needs of the individual children and other factors (pursuant to criteria supplied by the Commissioner) which relate to such expenditures, and when funds available to a local educational agency under this title are used to concentrate programs or projects on a particular group, attendance area, or grade or age level, children enrolled in private schools who are included within the group, attendance areas, or grade or age level selected for such concentration shall, after consultation with the appropriate private school officials, be assured equitable participation in the purposes and benefits of such programs or projects.

(c)(1) The control of funds provided under this title and title to materials, equipment, and property repaired, remodeled, or constructed therewith shall be in a public agency for the uses and purposes provided in this title, and a public agency shall administer such funds and property.

(2) The provisions of services pursuant to this section shall be provided by employees of a public agency or through contract by such public agency with a person, an association, agency, or corporation who or which in the provision of such services is independent of such private school and of any religious organization, and such employment or contract shall be under the control and supervision of such public agency, and the funds provided under this title shall not be commingled with State or local funds.

(d) If a State is prohibited by law from providing for the participation in programs of children enrolled in private elementary and secondary schools, as required by this section, the Commissioner may waive such requirement and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(e) If the Commissioner determines that a State or a local educational agency has substantially failed to provide for the participation on an equitable basis of children enrolled in private elementary and secondary schools as required by this section, he shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of this section.

(f) When the Commissioner arranges for services pursuant to this section, he shall, after consultation with the appropriate public and private school officials, pay the cost of such services from the appropriate allotment of the State under this title.

(g)(1) The Commissioner shall not take any final action under this section until he has afforded the State educational agency and local educational agency affected by such action at least sixty days notice of his proposed action and an opportunity for a hearing with respect thereto on the record.

(2) If a State or local educational agency is dissatisfied with the Commissioner's final action after a hearing under subparagraph (A) of this paragraph, it may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(3) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(4) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 1806) Enacted August 21, 1974, P.L. 93–380, sec. 401, 88 Stat. 541, 542.

PART B—LIBRARIES AND LEARNING RESOURCES

PROGRAM AUTHORIZED

SEC. 421. (a) The Commissioner shall carry out a program for making grants to the States (pursuant to State plans approved under section 403)—

(1) for the acquisition of school library resources, textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools;

(2) for the acquisition of instructional equipment (including laboratory and other special equipment, including audio-visual materials and equipment suitable for use in providing education in academic subjects) for use by children and teachers in elementary and secondary schools, and for minor remodeling of laboratory or other space used by such schools for such equipment; and

(3) for (A) a program of testing students in the elementary and secondary schools, (B) programs of counseling and guidance services for students at the appropriate levels in elementary and secondary schools designed (i) to advise students of courses of study best suited to their ability, aptitude, and skills, (ii) to advise students with respect to their decisions as to the type of educational program they should pursue, the vocation they should train for and enter, and the job opportunities in the various fields, and (iii) to encourage students to complete their secondary school education, take the necessary courses for admission to postsecondary institutions suitable for their occupational or academic needs, and enter such institutions, and such programs may include

short-term sessions for persons engaged in guidance and counseling in elementary and secondary schools, and (C) programs, projects, and leadership activities designed to expand and strengthen counseling and guidance services in elementary and secondary schools.

(b) It is the purpose of this part to combine within a single authorization, subject to the modifications imposed by the provisions and requirements of this title, the programs authorized by title II and so much of title III as relates to testing, counseling, and guidance, of this Act, and title III (except for section 305 thereof) of the National Defense Education Act of 1958, and funds appropriated to carry out this part must be used only for the same purposes and for the funding of the same types of programs authorized under those provisions.

(20 U.S.C. 1821) Enacted August 21, 1974, P.L. 93-380, sec. 401, 88 Stat. 542, 543.

PART C—EDUCATIONAL INNOVATION AND SUPPORT

PROGRAMS AUTHORIZED

SEC. 431. (a) The Commissioner shall carry out a program for making grants to the States (pursuant to State plans approved under section 403)—

(1) for supplementary educational centers and services to stimulate and assist in the provision of vitally needed educational services (including preschool education, special education, compensatory education, vocational education, education of gifted and talented children, and dual enrollment programs) not available in sufficient quantity or quality, and to stimulate and assist in the development and establishment of exemplary elementary and secondary school programs (including the remodeling, lease, or construction of necessary facilities) to serve as models for regular school programs;

(2) for the support of demonstration projects by local educational agencies or private educational organizations designed to improve nutrition and health services in public and private elementary and secondary schools serving areas with high concentrations of children from low-income families and such projects may include payment of the cost of (A) coordinating nutrition and health service resources in the areas to be served by a project, (B) providing supplemental health, mental health, nutritional, and food services to children from low-income families when the resources for such services available to the applicant from other sources are inadequate to meet the needs of such children, (C) nutrition and health programs designed to train professional and other school personnel to provide nutrition and health services in a manner which meets the needs of children from low-income families for such services, and (D) the evaluation of projects assisted with respect to their effectiveness in improving school nutrition and health services for such children;

(3) for strengthening the leadership resources of State and local educational agencies, and for assisting those agencies in the establishment and improvement of programs to identify and meet educational needs of States and of local school districts; and

(4) for making arrangements with local educational agencies for the carrying out by such agencies in schools which (A) are located in urban or rural areas, (B) have a high percentage of children from low-income families, and (C) have a high percentage of such children who do not complete their secondary school education, of demonstration projects involving the use of innovative methods, systems, materials, or programs which show promise of reducing the number of such children who do not complete their secondary school education.

(b) It is the purpose of this part to combine within a single authorization, subject to the modifications imposed by the provisions and requirements of this title, the programs authorized by title III (except for programs of testing, counseling, and guidance) and title V, and sections 807 and 808 of this Act, and funds appropriated to carry out this part must be used only for the same purposes and for the funding of the same types of programs authorized under those provisions.

(20 U.S.C. 1831) Enacted August 21, 1974, P.L. 93–380, sec. 401, 88 Stat. 543, 544.

USE OF CULTURAL AND EDUCATIONAL RESOURCES

SEC. 432. Programs or projects supported pursuant to this part (other than those described in section 431(a)(3)) shall involve in the planning and carrying out thereof the participation of persons broadly representative of the cultural and educational resources of the area to be served. The term "cultural and educational resources" includes State educational agencies, local educational agencies, private nonprofit elementary and secondary schools, institutions of higher education, public and nonprofit private agencies such as libraries, museums, musical and artistic organizations, educational radio and television, and other cultural and educational resources.

(20 U.S.C. 1832) Enacted August 21, 1974, P.L. 93–380, sec. 401, 88 Stat. 544.

TITLE V—STRENGTHENING STATE AND LOCAL EDUCATIONAL AGENCIES

PART A—GRANTS TO STRENGTHEN STATE DEPARTMENTS OF EDUCATION

APPROPRIATIONS AUTHORIZED

SECTION 501. (a) The Commissioner shall carry out a program for making grants to stimulate and assist States in strengthening the leadership resources of their State educational agencies, and to assist those agencies in the establishment and improvement of programs to identify and meet the educational needs of States.

(b) For the purpose of making grants under this part, there is hereby authorized to be appropriated the sum of $25,000,000 for the fiscal year ending June 30, 1966, $30,000,000 for the fiscal year ending June 30, 1967, $65,000,000 for the fiscal year ending June 30, 1968, $80,000,000 each for the fiscal years ending June 30, 1969, June 30, 1970, and June 30, 1971, $85,000,000, for the fiscal year ending June 30, 1972, and $90,000,000 for the fiscal year ending June 30, 1973 and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation by the Commissioner during any year for which funds are available for obligation by the Commissioner for carrying out part C of title IV.

(20 U.S.C. 861) Enacted April 11, 1965, P.L. 89-10, Title V, Sec. 501, 79 Stat. 47; amended Nov. 3, 1966, P.L. 89-750, Title I, Sec. 141, 80 Stat. 1203; amended Jan. 2, 1968, P.L. 90-247, Title I, Sec. 141, 81 Stat. 799; amended April 13, 1970, P.L. 91-230, Title I, Sec. 141, 143(c)(4)(B), 84 Stat. 141, 142; amended August 21, 1974, P.L. 93-380, Sec. 104(a), 88 Stat. 503.

Sec. 502. (a)(1) From 95 per centum of the sums appropriated for carrying out this part for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 1 per centum of such 95 per centum of such sums, as he may determine and shall apportion such amount among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this part. The remainder of such per centum of such sums shall be apportioned by the Commissioner as follows:

(A) He shall apportion 40 per centum of such remainder among the States in equal amounts.

(B) He shall apportion to each State an amount that bears the same ratio to 60 per centum of such remainder as the number of public school pupils in the State bears to the number of public school pupils in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him.

For purposes of this paragraph, the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(2) Five per centum of the sums appropriated pursuant to section 501 for each fiscal year shall be reserved by the Commissioner for grants for special projects pursuant to section 505.

(b)(1) The amount apportioned to any State under paragraph (1) of subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reapportionment from time to time, on such dates during that year as the Commissioner may fix, to other States in proportion to the amounts originally apportioned among those States under subsection (a)(1) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates that State needs and will be able to use for that year; and the total of these reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced. Any amount reapportioned to a State under this subsection from funds appropriated pursuant to section 501 for any fiscal year shall be deemed part of the amount apportioned to it under subsection (a)(1) for that year.

(2) In accordance with regulations of the Commissioner any State may file with him a request that a specified portion of the amount appropriated to it under subsection (a)(1) be added to the amount apportioned to another State under that subsection for the purpose of meeting a portion of the cost of carrying out one or more programs or activities under an approved application of that other State. If the Commissioner finds that the programs or activities with respect to which the request is made would meet needs of the State making the request and that use of the specified portion of the amount appor-

tioned to that State, as requested by it, would assist in carrying out the purpose of this part, that portion shall be added to the amount apportioned to the other State under subsection (a)(1) to be used for the purpose referred to above.

(20 U.S.C. 862) Enacted April 11, 1965, P.L. 89–10, Title V. Sec. 502, 79 Stat. 48; amended Nov. 3, 1966, P.L. 89–750, Title I. Sec. 152(c), 80 Stat. 1203; amended Jan. 2, 1968, P.L. 90–247, Title I, Secs. 142(a), 143, 145, (b)(1), (2) 81 Stat. 799, 800; amended April 13, 1970, P.L. 91–230, Title I, Sec. 143(a)(4)(B), 84 Stat. 142.

GRANTS FROM APPORTIONED FUNDS

SEC. 503. From the amount apportioned to any State for any fiscal year under section 502 the Commissioner may, upon approval of an application or applications therefor submitted to him by such State through the State educational agency, make a grant or grants to such agency equal to the expenditures incurred by such agency for the planning of, and for programs for, the development, improvement, or expansion of activities promoting the purposes set forth in section 501(a) and more particularly described in such application and for which such application is approved, such as—

(1) Educational planning on a statewide basis, including the identification of educational problems, issues, and needs in the State and the evaluation on a periodic or continuing basis of education programs in the State;

(2) Providing support or services for the comprehensive and compatible recording, collecting, processing, analyzing, interpreting, storing, retrieving, and reporting of State and local educational data, including the use of automated data systems;

(3) Dissemination or support for the dissemination of information relating to the condition, progress, and needs of education in the State;

(4) Programs for conducting, sponsoring, or cooperating in educational research and demonstration programs and projects such as (A) the development in elementary and secondary schools of programs of occupational information, counseling and guidance, and instruction in occupational education on an equal footing with traditional academic education, (B) establishing and maintaining curriculum research and innovation centers to assist in locating and evaluating curriculum research findings, (C) discovering and testing new educational ideas (including new uses of printed and audio-visual media) and more effective educational practices, and putting into use those which show promise of success, and (D) studying ways to improve the legal and organizational structure for education and the management and administration of education in the State;

(5) Publication and distribution, or support for the publication and distribution, of curricular materials collected and developed at curriculum research centers and elsewhere;

(6) Programs to improve the quality of teacher preparation, including student-teaching arrangements, in cooperation with institutions of higher education and local educational agencies;

(7) Programs and other activities specifically designed to encourage the full and adequate utilization and acceptance of auxiliary personnel

(such as teacher aides) in elementary and secondary schools on a permanent basis;

(8) Studies or support for studies concerning the financing of public education in the State;

(9) support for statewide programs designed to measure the educational achievement of pupils;

(10) training and otherwise developing the competency of individuals who serve State or local educational agencies and provide leadership, administrative, or specialist services throughout the State, or throughout the area served by a local educational agency, through the initiation, improvement, and expansion of activities such as (A) sabbatical leave programs, (B) fellowships and traineeships (including educational expenses and the cost of travel) for State educational agency personnel to pursue graduate studies, and (C) conducting institutes, workshops, and conferences (including related costs of operation and payment of the expenses of participants);

(11) providing local educational agencies and the schools of those agencies with consultative and technical assistance and services relating to academic subjects and to particular aspects of education such as the education of the handicapped, and gifted and talented children, school building design and utilization, school social work, the utilization of modern instructional materials and equipment, transportation, educational administrative procedures, and school health, physical education, and recreation; and

(12) evaluation and demonstration projects to insure that benefits obtained by children in Head Start and other preschool programs are not lost during their early elementary school years, but are instead enhanced so as to provide continuity in and accelerated development of the child's learning, academic and other social achievements.

(20 U.S.C. 863) Enacted April 11, 1965, P.L. 89–10, Title V, Sec. 503, 79 Stat. 49; amended Nov. 3, 1966, P.L. 89–750, Title I, Secs. 152(a), 154, 80 Stat. 1203, 1204; amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 144, 145(a), 81 Stat. 799, 800; amended April 13, 1970, P.L. 91–230, Title I, secs. 142(a), 143(a)(4)(C), 84 Stat. 142; amended June 23, 1972, P.L. 92–318, sec. 509(a)(3), 86 Stat. 353.

APPROVAL OF APPLICATIONS FOR GRANTS FROM APPORTIONED FUNDS

Sec. 504. An application for a grant under section 503 may be approved by the Commissioner only upon his determination that—

(a) each of the proposed projects, programs, and activities for which it is approved meets the requirements of section 503 and will make a significant contribution to strengthening the leadership resources of the applicant or its ability to participate effecttively in meeting the educational needs of the State;

(b) the application contains or is supported by adequate assurance that Federal funds made available under the approved application will be so used as to supplement, and to the extent practical, increase the amounts of State funds that would in the absence of such Federal funds be made available for projects and activities which met the requirements of section 503;

(c) the application sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the

State (including any such funds paid by the State to agencies, institutions, or organizations) under this part, and

(d) the application provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this part, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(20 U.S.C. 864) Enacted April 11, 1965, P.L. 89–10, Title V, Sec. 504, 79 Stat. 50; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 152(d), 80 Stat. 1203; amended April 13, 1970, P.L. 91–230, Title I, sec. 143(a)(4)(B), 84 Stat. 142.

SPECIAL PROJECT GRANTS

Sec. 505. Five per centum of the sums appropriated pursuant to section 501 for each fiscal year shall be used by the Commissioner to make grants to State educational agencies to pay part of the cost of experimental projects for developing State leadership or for the establishment of special services which, in the judgment of the Commissioner, hold promise of making a substantial contribution to the solution of problems common to the State educational agencies of all or several States, and for grants to public regional interstate commissions or agencies for educational planning and research.

(20 U.S.C. 865) Enacted April 11, 1965, P.L. 89–10, Title V, sec 505, 79 Stat. 51; amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 145(b)(3), 146, 81 Stat. 800.

Part B—Local Educational Agencies

APPROPRIATIONS AUTHORIZED

Sec. 521. (a) The Commissioner shall carry out a program for making grants to stimulate and assist local educational agencies in strengthening the leadership resources of their districts, and to assist those agencies in the establishment and improvement of programs to identify and meet the educational needs of their districts.

(b) For the purpose of making grants under this part, there is hereby authorized to be appropriated the sum of $10,000,000 for the fiscal year ending June 30, 1970, $20,000,000 for the fiscal year ending June 30, 1971, $30,000,000 for the fiscal year ending June 30, 1972, and $40,000,000 for the fiscal year ending June 30, 1973, and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation by the Commissioner during any year for which funds are available for obligation by the Commissioner for carrying out part C of title IV.

(20 U.S.C. 866) Enacted April 13, 1970, P.L. 91–230, Title I, sec. 143(a)(4)(D), 84 Stat. 142; amended August 21, 1974, P.L. 93–380, sec. 104(b) 88 Stat. 503.

APPORTIONMENT AMONG STATES

Sec. 522. (a) From the sums appropriated for carrying out this part for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 1 per centum of such sums, as he may determine and shall apportion such amount among Guam, American Samoa, the

Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this part. The remainder of such sums shall be apportioned by the Commissioner as follows:

(A) He shall apportion 40 per centum of such remainder among the States in equal amounts.

(B) He shall apportion to each State an amount that bears the same ratio to 60 per centum of such remainder as the number of public school pupils in the State bears to the number of public school pupils in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him.

For purposes of this paragraph, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The amount apportioned to any State under subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reapportionment from time to time, on such dates during that year as the Commissioner may fix, to other States in proportion to the amounts originally apportioned among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates the local educational agencies of such State need and will be able to use for that year; and the total of these reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced. Any amount reapportioned to a State under this subsection from funds appropriated pursuant to section 521 for any fiscal year shall be deemed part of the amount apportioned to it under subsection (a) for that year.

(20 U.S.C. 866a) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(D), 84 Stat. 143.

GRANTS FROM APPORTIONED FUNDS

SEC. 523. From the amount apportioned to any State for any fiscal year under section 522 the Commissioner may, upon approval of an application in accordance with section 524 submitted to him by a local educational agency of such State, after approval by the State educational agency in accordance with section 525, make a grant or grants to such local educational agency equal to the expenditures incurred by such agency for the planning of, and for programs for, the development, improvement, or expansion of activities promoting the purposes set forth in section 521(a) and more particularly described in such application and for which such application is approved, such as—

(1) educational planning on a district basis, including the identification of educational problems, issues, and needs in the district and the evaluation on a periodic or continuing basis of educational programs in the district;

(2) providing support or services for the comprehensive and compatible recording, collecting, processing, analyzing interpreting, storing, retrieving, and reporting of educational data including the use of automated data systems;

(3) programs for conducting, sponsoring, or cooperating in educational research and demonstration programs and projects such as (A) establishing and maintaining curriculum research and innovation centers to assist in locating and evaluating curriculum research findings, (B) discovering and testing new educational ideas (including new uses of printed and audiovisual media) and more effective educational practices, and putting into use those which show promise of success, and (C) studying ways to improve the legal and organizational structure for education, and the management and administration of education in the district of such agency;

(4) programs to improve the quality of teacher preparation, including student-teaching arrangements, in cooperation with institutions of higher education and State educational agencies;

(5) programs and other activities specifically designed to encourage the full and adequate utilization and acceptance of auxiliary personnel (such as instructional assistants and teacher aides) in elementary and secondary schools on a permanent basis;

(6) providing such agencies and the schools of such agencies with consultative and technical assistance and services relating to academic subjects and to particular aspects of education such as the education of the handicapped, the gifted and talented, and the disadvanaged, vocational education, school building design and utilization, school social work, the utilization of modern instructional materials and equipment, transportation, educational administrative procedures, and school health, physical education, and recreation;

(7) training programs for the officials of such agencies; and

(8) carrying out any such activities or programs, where appropriate, in cooperation with other local educational agencies.

(20 U.S.C. 866b) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(D), 84 Stat. 143.

APPROVAL OF APPLICATIONS BY THE COMMISSIONER

SEC. 524. (a) An application for a grant under this part for each fiscal year shall set forth a plan under which Federal funds received by the applicant under this part for that fiscal year will be used solely for a program of activities specifically designed to strengthen the leadership resources of the applicant and to establish and improve programs to identify and meet the educational needs of the persons served by the applicant.

(b) The Commissioner may approve an application under this part only if the application for that year—

(1) contains or is supported by adequate assurance that Federal funds made available under the approved application will be so used as to supplement, and to the extent practical, increase the amounts of State and local funds that would in the absence of such Federal funds be made available for projects and activities which meet the requirements of section 523;

(2) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part; and

(3) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this part, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(20 U.S.C. 866c) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143 (a)(4) (D), 84 Stat. 144.

APPROVAL OF APPLICATIONS BY STATE EDUCATIONAL AGENCIES

SEC. 525. In approving applications for the purposes of this part a State educational agency shall—

(1) approve only such applications for proposed projects, programs, or activities as will—

(A) make a significant contribution to strengthening the leadership resources of the applicant or its ability to participate effectively in meeting the educational needs of its district, and

(B) involve an expenditure of at least $2,500, and

(2) provide for an equitable distribution on the basis of need of funds provided pursuant to this part, and, to the extent possible within such a distribution, give priority to exemplary projects, programs, or activities.

(20 U.S.C. 866d) enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4) (D) 84 Stat. 144.

PART C—COMPREHENSIVE EDUCATIONAL PLANNING AND EVALUATION

AUTHORIZATION

SEC. 531. (a) The Commissioner is authorized to make comprehensive planning and evaluation grants to State and local educational agencies in order to assist and stimulate them to enhance their capability to make effective progress, through comprehensive and continuing planning and evaluation, toward the achievement of opportunities for high-quality education for all segments of the population.

(b) For the purpose of carrying out the provisions of this part, there are hereby authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1971, $15,000,000 for the fiscal year ending June 30, 1972, and $20,000,000 for the fiscal year ending June 30, 1973, and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation during any year for which funds are available for obligation for carrying out part C of title IV.

(c)(1)(A) From the sums appropriated for carrying out this part for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 1 per centum of such per centum, as he may determine and shall apportion such amount among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this part. The remainder shall be apportioned by the Commissioner as follows:

(i) He shall apportion 40 per centum of such remainder among the States in equal amounts.

(ii) He shall apportion to each State an amount that bears the same ratio to 60 per centum of such remainder as the population of the State bears to the population of all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(B) For purposes of this paragraph (1), the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(2) The amount apportioned to any State under paragraph (1) of this subsection for any fiscal year which the Commissioner determines will not be required for that year shall be available for reapportionment from time to time, on such dates during that year as the Commissioner may fix, to other States in proportion to the amounts originally apportioned among those States under such paragraph for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates the State and local educational agencies of such State need and will be able to use for that year; and the total of these reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced. Any amount reapportioned to a State under this paragraph from funds appropriated pursuant to this section for any fiscal year shall be deemed part of the amount apportioned to it under paragraph (1) for that year.

(3) Grants for any fiscal year to a State agency and any local educational agency in such pursuant to this part shall be made from such State's apportionment for such year pursuant to this subsection.

(20 U.S.C. 867) enacted April 13, 1970, P.L. 91–230, Title I, sec. 143(a)(4)(D), 84, Stat. 145; amended August 21, 1974, P.L. 93–380, sec. 104(c), 88 Stat. 503.

COMPREHENSIVE PLANNING AND EVALUATION GRANTS: ELIGIBLE AGENCIES

SEC. 532. (a) Any State desiring to receive a grant under this part for any fiscal year shall designate or establish within its State educational agency a single office or unit (hereinafter in this part referred to as the State planning and evaluation agency) as the sole agency for administering a comprehensive program of systematic planning and evaluation of elementary and secondary education in the State. The State planning and evaluation agency shall have the primary responsibility for planning and evaluating the education programs of the State and for the administration of funds received by the State under this part.

(b) Any local educational agency desiring to receive a grant under this part must provide the Commissioner with satisfactory assurance that—

(1) the local educational agency or agencies have a planning and evaluation office or unit which has or will have, as the result of assistance under this part, the capability of carrying out a comprehensive program of systematic planning and evaluation meeting the purposes of this part;

(2) the appropriate State educational agency or agencies have been consulted and have had the opportunity to comment on, and advise the local educational agencies and the Commissioner with regard to, the application; and

(3) the planning and evaluation activities of the local educational agency or agencies will be closely coordinated with such activities of the appropriate State agencies;

and must further provide the Commissioner with satisfactory assurance that—

(4) the local educational agency serves, or, if two or more local educational agencies are making joint application, those agencies serve, an area with a population sufficient to merit a comprehensive planning and evaluation program in addition to that of the State or of other local educational agencies in the area or region to be served by the applicant; or

(5) the local educational agency or agencies will use the funds for demonstration projects to plan, develop, test, and improve planning and evaluation systems and techniques consistent with, and to further the purposes of, this part.

(c) In making grants pursuant to this section the Commissioner shall give special emphasis on developing coordinated and comprehensive plans for educational planning and evaluation between and among the Office of Education, State educational agencies, and local educational agencies, including projects on an interstate, regional, or metropolitan area basis.

(d) No grant shall be made by the Commissioner to a local educational agency or agencies under this part unless the application for such grant has been submitted to the State educational agency or agencies in the State or States in which it is to be carried out. If within sixty days of such submission or within such longer period of time as the Commissioner may determine pursuant to regulations, the State agency or agencies disapprove the proposed program or project, the Commissioner shall review the application with the appropriate State and local educational agencies before making a final decision.

(20 U.S.C. 867a) enacted April 13, 1970, P.L. 91–230, Title I, sec. 143(a)(4)(D), 84 Stat. 146.

APPLICATION

SEC. 533. (a) An application for a grant under this part shall be submitted to the Commissioner at such time or times, in such form, and containing such information as he may deem necessary. Such application shall include—

(1) a statement of present and projected educational needs of persons residing in the area to be served;

(2) a description of a program for meeting those needs which includes—

(A) setting long-range areawide goals in meeting educational needs and establishing priorities among such goals,

(B) developing long-range plans for achieving such goals, taking into consideration the resources available and the educational effectiveness of each of the alternatives,

(C) planning new programs and improvements in existing programs based on the results of analyses of alternative means of achieving educational goals,

(D) objectively evaluating at intermediate stages the progress and effectiveness of programs in achieving such goals, and, when appropriate, adjusting goals, plans, and programs to maximize educational effectiveness, and

(E) utilizing available management information, planning, and evaluation systems and techniques;

(3) a plan for developing and strengthening the capabilities of the applicant to improve its planning capacity and to conduct, on a continuous basis, objective evaluations of the effectiveness of education programs and projects;

(4) a plan for utilizing the resources of, and coordinating with, programs affecting education of other Federal, State, and local agencies, organizations, and persons; and

(5) a statement of policies and procedures which have been, or will be, established and implemented for developing and maintaining a permanent system for obtaining and collecting significant information necessary for the assessment of education in the area to be served by the applicant, for consulting with and involving parents of children served by the applicant, and for making full and detailed information concerning the educational planning and evaluation activities and findings of the applicant and other agencies and persons receiving assistance under this part reasonably available to the public.

(b) Applications for grants under this section may be approved by the Commissioner only if he determines that the application—

(1) has been submitted only after interested parents have been given reasonable notice and an opportunity to express their views thereon;

(2) sets forth, in such detail as the Commissioner may determine necessary, such policies and procedures as will provide satisfactory assurance that—

(A) the assistance provided under this section, together with other available resources, will be so used for the purposes of this part as to result in the maximum possible effective progress toward the achievement of a high level of planning and evaluation competence, and

(B) assistance under this part will be used primarily in strengthening the capabilities of the planning and evaluation staff of the agency, office, or unit responsible for the administration of the application plan; and

(3) sets forth such policies and procedures as will insure that Federal funds made available under the application will be so used as to supplement, and to the extent practical, increase the amounts of State or local funds that would, in the absence of Federal funds, be made available for activities meeting the purposes of this title;

(4) in the case of applications from States, makes adequate provision (consistent with such criteria as the Commissioner shall

prescribe by regulation) for using funds granted under this section to make program planning and evaluation services available to local educational agencies in the State.

(c) A grant made pursuant to an application under this section may be used to pay not to exceed 75 per centum of the cost of the activities covered by the application.

(20 U.S.C. 867b). Enacted April 13, 1970, P.L. 91–230, Title I, sec. 143(a)(4)(D), 84 Stat. 147.

REPORTS

SEC. 534. Each recipient of a grant shall make an annual report on the activities carried out with the funds from such grant which includes such information as the Commissioner determines will permit an evaluation of the effectiveness of the program authorized by this part in achieving its purposes. Each such recipient shall also make such other reports, in such form and containing such information as the Commissioner may require to carry out his functions under this part.

(20 U.S.C. 867c) Enacted April 13, 1970, P.L. 91–230, Title I, sec. 143(a)(4)(D), 84 Stat. 148.

PART D—COUNCILS ON QUALITY IN EDUCATION

NATIONAL AND STATE ADVISORY COUNCILS

SEC. 541. (a)(1) There is hereby established a National Council on Quality in Education (hereafter referred to as the "National Council") composed of fifteen members appointed by the President, by and with the advice and consent of the Senate. The membership of the National Council shall include persons who are familiar with the educational needs and goals of the Nation, persons with competence in assessing the progress of the education agencies, institutions, and organizations in meeting those needs and achieving those goals, persons familiar with the administration of State and local educational agencies and of institutions of higher education, and persons representative of the general public. Members shall be appointed for terms of three years, except that (1) in the case of initial members, one-third of the members shall be appointed for terms of one year each and one-third of the members shall be appointed for terms of two years each, and (2) appointments to fill the unexpired portion of any term shall be for such portion only.

(2) The National Council shall—

(A) review the administration of, general regulations for, and operation of the programs assisted under this title at the Federal, State, and local levels, and other Federal education programs;

(B) advise the Commissioner and, when appropriate, the Secretary and other Federal officials with respect to the educational needs and goals of the Nation and assess the progress of the educational agencies, institutions, and organizations of the Nation toward meeting those needs and achieveing those goals;

(C) conduct objective evaluations of specific education programs and projects in order to ascertain the effectiveness of such programs and projects in achieving the purpose for which they are intended;

(D) review, evaluate, and transmit to the Congress and the President the reports submitted pursuant to clause (E) of paragraph (3) of subsection (b) of this section;

(E) make recommendations (including recommendations for changes in legislation) for the improvement of the administration and operation of education programs including the programs authorized by this title;

(F) consult with Federal, State, local, and other educational agencies, institutions, and organizations with respect to assessing education in the Nation and the improvement of the quality of education, including—

(i) areas of unmet needs in education and national goals and the means by which those areas of need may be met and those national goals may be achieved;

(ii) determinations of priorities among unmet needs and national goals; and

(iii) specific means of improving the quality and effectiveness of teaching, curricula, and educational media and of raising standards of scholarship and levels of achievement;

(G) conduct national conferences on the assessment and improvement of education, in which national and regional education associations and organizations, State and local education officers and administrators, and other organizations, institutions, and persons (including parents of children participating in Federal education programs) may exchange and disseminate information on the improvement of education; and

(H) conduct, and report on, comparative studies and evaluations of education systems in foreign countries.

(3) The National Council shall make an annual report, and such other reports as it deems appropriate, on its findings, recommendations, and activities to the Congress and the President. The President is requested to transmit to the Congress, at least annually, such comments and recommendations as he may have with respect to such reports and its activities.

(4) In carrying out its responsibilities under this section, the National Council shall consult with the National Advisory Council on the Education of Disadvantaged Children, the National Advisory Council on Supplementary Centers and Services, the National Advisory Council on Education Professions Development, and such other advisory councils and committees as may have information and competence to assist the National Council. All Federal agencies are directed to cooperate with the National Council in assisting it in carrying out its functions.

(b)(1) Any State receiving payments under this title for any fiscal year may establish a State advisory council (hereinafter referred to as "State council") which if it meets the requirements and has the authority specified in this subsection may receive payments pursuant to paragraph (7). The State council shall be appointed by the Governor or, in the case of States in which the members of the State educational agency are elected (including election by the State legislature), by such agency.

(2) The State council established pursuant to this subsection shall be broadly representative of the educational resources of the State and of the public. Representation on the State council shall include, but not be limited to, persons representative of—

(A) public and nonprofit private elementary and secondary schools;

(B) institutions of higher education,

(C) areas of competence in planning and evaluating education programs, and the assessment of the effectiveness of, and the administration of, such programs at the State and local levels; and

(D) areas of competence in dealing with children for whom special educational assistance is available under this Act.

(3) The State council shall—

(A) prepare and submit through the State educational agency a report of its activities, recommendations, and evaluations, together with such additional comments as the State educational agency deems appropriate, to the Commissioner and the National Council at such times, in such form, and in such detail, as the Commissioner may prescribe;

(B) advise the State educational agency on the preparation of, and policy matters arising in the administration of, State and local educational programs in the State, including the development of criteria for approval of applications for assistance under this title;

(C) advise State and local officials who have a responsibility for education in the State with respect to the planning, evaluating, administration, and assessment of education in the State;

(D) review and make recommendations to the State educational agency on the action to be taken with respect to applications for assistance under this title by local educational agencies; and

(E) evaluate programs and projects assisted under this title.

(4) Any such State shall certify the establishment of, and membership of its State council to, the Commissioner.

(5) Such State council shall meet within thirty days after its certification has been accepted by the Commissioner and select from among its membership a chairman. The time, place, and manner of meeting shall be as provided by the rules of the State council, except that such rules must provide for not less than one public meeting each year at which the public is given opportunity to express views concerning the operation of programs and projects assisted under this title.

(6) Such State council shall be authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this title and to contract for such services as may be necessary to enable them to carry out their evaluation functions.

(7) There are hereby authorized to be appropriated for each fiscal year such sums, not in excess of 2½ per centum of the amount otherwise appropriated for such year for the purposes of this title, as may be necessary to carry out the provisions of this subsection.

(20 U.S.C. 868) Enacted April 13, 1970, P.L. 91–230, Title I, sec. 143(a)(4)(D), 84 Stat. 148.

PART E—GENERAL PROVISIONS

ADMINISTRATION OF PLANS

SEC. 551. (a) The Commissioner shall not finally disapprove any application from a State or a local educational agency, submitted under part A or B of this title, or any modification thereof, without affording the applicant reasonable notice and an opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and an opportunity for a hearing to a State or a local educational agency administering a program under an application approved under this title, finds that there has been a failure to comply substantially with the appropriate provisions of this title or with the provisions of an application approved under this title, he shall notify the State or the local educational agency, as the case may be, that further payments will not be made to that State or that local educational agency under that application until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made to that State or that local educational agency under the application. Whenever a local educational agency is given notice under the first sentence of this subsection, notice shall also be submitted to the appropriate State educational agency.

(20 U.S.C. 869) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(D), 84 Stat. 150.

JUDICIAL REVIEW

SEC. 552. (a) If any State or any local educational agency is dissatisfied with the Commissioner's final action with respect to the approval of an application submitted under part A or B of this title or with his final action under section 551(b), such State or local educational agency may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State or local educational agency is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 869a) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(D), 84 Stat. 151.

INTERCHANGE OF PERSONNEL

SEC. 553. (Repealed by P.L. 91-648, Title IV, Sec. 403, 84 Stat. 1925. See 5 U.S.C. 3371 ff).

TITLE VI—EDUCATION OF THE HANDICAPPED

* * * * * * *

(Note.—Effective July 1, 1971, title VI of ESEA is repealed and replaced by Education of the Handicapped Act. See p. 605.)

TITLE VII—BILINGUAL EDUCATION PROGRAMS

SHORT TITLE

SEC. 701. This title may be cited as the "Bilingual Education Act."

POLICY; APPROPRIATIONS

SEC. 702. (a) Recognizing—

(1) that there are large numbers of children of limited English-speaking ability;

(2) that many of such children have a cultural heritage which differs from that of English-speaking persons;

(3) that a primary means by which a child learns is through the use of such child's language and cultural heritage;

(4) that, therefore, large numbers of children of limited English-speaking ability have educational needs which can be met by the use of bilingual educational methods and techniques; and

(5) that, in addition, children of limited English-speaking ability benefit through the fullest utilization of multiple language and cultural resources.

the Congress declares it to be the policy of the United States, in order to establish equal educational opportunity for all children (A) to encourage the establishment and operation, where appropriate, of educational programs using bilingual educational practices, techniques, and methods, and (B) for that purpose, to provide financial assistance to local educational agencies, and to State educational agencies for certain purposes, in order to enable such local educational agencies to develop and carry out such programs in elementary and secondary schools, including activities at the preschool level, which are designed to meet the educational needs of such children; and to demonstrate effective ways of providing, for children of limited English-speaking ability, instruction designed to enable them, while using their native language, to achieve competence in the English language.

(b)(1) Except as is otherwise provided in this title, for the purpose of carrying out the provisions of this title, there are authorized to be appropriated $135,000,000 for the fiscal year ending June 30, 1974; $135,000,000 for the fiscal year ending June 30, 1975; $140,000,000 for the fiscal year ending June 30, 1976; $150,000,000 for the fiscal year ending June 30, 1977; and $160,000,000 for the fiscal year ending June 30, 1978.

(2) There are further authorized to be appropriated to carry out the provisions of section 721(b)(3) $6,750,000 for the fiscal year ending June 30, 1974; $7,250,000 for the fiscal year ending June 30, 1975; $7,750,000 for the fiscal year ending June 30, 1976; $8,750,000 for the fiscal year ending June 30, 1977; and $9,750,000 for the fiscal year ending June 30, 1978.

(3) From the sums appropriated under paragraph (1) for any fiscal year—

(A) the Commissioner shall reserve $16,000,000 of that part thereof which does not exceed $70,000,000 for training activities carried out under clause (3) of subsection (a) of section 721, and shall reserve for such activities 33⅓ per centum of that part thereof which is in excess of $70,000,000; and

(B) the Commissioner shall reserve from the amount not reserved pursuant to clause (A) of this paragraph such amounts as may be necessary, but not in excess of 1 per centum thereof, for the purposes of section 732.

(20 U.S.C. 880b) Enacted August 21, 1974, P.L. 93-380, sec. 105(a)(1), 88 Stat. 503, 504.

DEFINITIONS; REGULATIONS

SEC. 703. (a) The following definitions shall apply to the terms used in this title:

(1) The term "limited English-speaking ability," when used with reference to an individual, means—

(A) individuals who were not born in the United States or whose native language is a language other than English, and

(B) individuals who come from environments where a language other than English is dominant, as further defined by the Commissioner by regulations;

and, by reasons thereof, have difficulty speaking and understanding instruction in the English language.

(2) The term "native language," when used with reference to an individual of limited English-speaking ability, means the language normally used by such individuals, or in the case of a child, the language normally used by the parents of the child.

(3) The term "low-income" when used with respect to a family means an annual income for such a family which does not exceed the low annual income determined pursuant to section 103 of title I of the Elementary and Secondary Education Act of 1965.

(4) (A) The term "program of bilingual education" means a program of instruction, designed for children of limited English-speaking ability in elementary or secondary schools, in which, with respect to the years of study to which such program is applicable—

(i) there is instruction given in, and study of, English and, to the extent necessary to allow a child to progress effectively through the educational system, the native language of the children of limited English-speaking ability, and such instruction is given with appreciation for the cultural heritage of such children, and, with respect to elementary school instruction, such instruction shall, to the extent necessary, be in all courses or subjects of study which will allow a child to progress effectively through the educational system; and

(ii) the requirements in subparagraphs (B) through (E) of this paragraph and established pursuant to subsection (b) of this section are met.

(B) A program of bilingual education may make provision for the voluntary enrollment to a limited degree therein, on a regular basis, of children whose language is English, in order that they may acquire an understanding of the cultural heritage of the children of limited English-speaking ability for whom the particular program of bilingual education is designed. In determining eligibility to participate in such programs, priority shall be given to the children whose language is other than English. In no event shall the program be designed for the purpose of teaching a foreign language to English-speaking children.

(C) In such courses or subjects of study as art, music, and physical education, a program of bilingual education shall make provision for the participation of children of limited English-speaking ability in regular classes.

(D) Children enrolled in a program of bilingual education shall, if graded classes are used, be placed, to the extent practicable, in classes with children of approximately the same age and level of educational attainment. If children of significantly varying ages or levels of educational attainment are placed in the same class, the program of bilingual education shall seek to insure that each child is provided with instruction which is appropriate for his or her level of educational attainment.

(E) An application for a program of bilingual education shall be developed in consultation with parents of children of limited English-speaking ability, teachers, and, where applicable, secondary school students, in the areas to be served, and assurances shall be given in the application that, after the application has been approved under this title, the applicant will provide for participation by a committee composed of, and selected by, such parents, and, in the case of secondary schools, representatives of secondary school student to be served.

(5) The term "Office" means the Office of Bilingual Education.

(6) The term "Director" means the Director of the Office of Bilingual Education.

(7) The term "Council" means the National Advisory Council on Bilingual Education.

(8) The term "other programs for persons of limited English-speaking ability" when used in sections 731 and 732 means the program authorized by section 708(c) of the Emergency School Aid Act and the programs carried out in coordination with the provisions of this title pursuant to section 122(a)(4)(C) and part J of the Vocational Education Act of 1963, and section 306(a)(11) of the Adult Education Act, and programs and projects serving areas with high concentrations of persons of limited English-speaking ability pursuant to section 6(b)(4) of the Library Services and Construction Act.

(b) The Commissioner, after receiving recommendations from State and local educational agencies and groups and organizations involved in bilingual education, shall establish, publish, and distribute, with respect to programs of bilingual education, suggested models with respect to pupil-teacher ratios, teacher qualifications, and other factors affecting the quality of instruction offered in such programs.

(c) In prescribing regulations under this section, the Commissioner shall consult with State and local educational agencies, appropriate organizations representing parents and children of limited English-speaking ability, and appropriate groups and organizations representing teachers and educators involved in bilingual education.

(20 U.S.C. 880 b-1) Enacted August 21, 1974, P.L. 93-380, sec. 105(a)(1), 88 Stat. 504, 505.

PART A—FINANCIAL ASSISTANCE FOR BILINGUAL EDUCATION PROGRAMS[1]

BILINGUAL EDUCATION PROGRAMS

SEC. 721. (a) Funds available for grants under this part shall be used for—

(1) the establishment, operation, and improvement of programs of bilingual education;

(2) auxiliary and supplementary community and educational activities designed to facilitate and expand the implementation of programs described in clause (1), including such activities as (A) adult education programs related to the purposes of this title, particularly for parents of children participating in programs of bilingual education, and carried out, where appropriate, in coordination with programs assisted under the Adult Education Act, and (B) preschool programs preparatory and supplementary to bilingual education programs;

(3)(A) the establishment, operation, and improvement of training programs for personnel preparing to participate in, or personnel participating in, the conduct of programs of bilingual education and (B) auxiliary and supplementary training programs, which shall be included in each program of bilingual education, for personnel preparing to participate in, or personnel participating in, the conduct of such programs; and

(4) planning, and providing technical assistance for, and taking other steps leading to the development of, such programs.

(b)(1) A grant may be made under this section only upon application therefor by one or more local educational agencies or by an institution of higher education, including a junior or community college, applying jointly with one or more local educational agencies (or, in the case of a training activity described in clause (3)(A) of subsection (a) of this section, by eligible applicants as defined in section 723). Each such application shall be made to the Commissioner at such time, in such manner, and containing such information as the Commissioner deems necessary, and

---

[1] Sec. 105(a)(2)(A) of P.L. 93-380 provides as follows:

"(2)(A) The amendment made by this subsection shall be effective the date of enactment of this Act, except that the provisions of part A of title VII of the Elementary and Secondary Education Act of 1965 (as amended by subsection (a) of this section) shall become effective on July 1, 1975, and the provisions of title VII of the Elementary and Secondary Education Act of 1965 in effect immediately prior to the date of enactment of this Act shall remain in effect through June 30, 1975, to the extent not inconsistent with the amendment made by this section."

(A) include a description of the activities set forth in one or more of the clauses of subsection (a) which the applicant desires to carry out; and

(B) provide evidence that the activities so described will make substantial progress toward making programs of bilingual education available to the children having need thereof in the area served by the applicant.

(2) An application for a grant under this part may be approved only if—

(A) the provision of assistance proposed in the application is consistent with criteria established by the Commissioner, after consultation with the State educational agency, for the purpose of achieving an equitable distribution of assistance under this part within the State in which the applicant is located, which criteria shall be developed by his taking into consideration (i) the geographic distribution of children of limited English-speaking ability, (ii) the relative need of persons in different geographic areas within the State for the kinds of services and activities described in subsection (a), (iii) with respect to grants to carry out programs described in clauses (1) and (2) of subsection (a) of section 721, the relative ability of particular local educational agencies within the State to provide such services and activities, and (iv) with respect to such grants, the relative numbers of persons from low-income families sought to be benefitted by such programs;

(B) in the case of applications from local educational agencies to carry out programs of bilingual education under clause (1) of subsection (a) of section 721, the Commissioner determines that not less than 15 per centum of the amounts paid to the applicant for the purposes of such programs shall be expended for auxiliary and supplementary training programs in accordance with the provisions of clause (3)(B) of such subsection and section 723;

(C) the Commissioner determines (i) that the program will use the most qualified available personnel and the best resources and will substantially increase the educational opportunities for children of limited English-speaking ability in the area to be served by the applicant, and (ii) that, to the extent consistent with the number of children enrolled in nonprofit, nonpublic schools in the area to be served whose educational needs are of the type which the program is intended to meet, provision has been made for participation of such children; and

(D) the State educational agency has been notified of the application and has been given the opportunity to offer recommendations thereon to the applicant and to the Commissioner.

(3)(A) Upon an application from a State educational agency, the Commissioner shall make provision for the submission and approval of a State program for the coordination by such State agency of technical assistance to programs of bilingual education in such State assisted under this title. Such State program shall contain such provisions, agreements, and assurances as the Commissioner shall, by regulation, determine necessary and proper to achieve the purposes of this title, including assurances that funds made available under this section for any fiscal year will be so used as to supplement, and to the extent practical, increase the level of funds that would, in the absence of such funds be made available by the State for the purposes described in this section, and in no case to supplant such funds.

(B) Except as is provided in the second sentence of this subparagraph, the Commissioner shall pay from the amounts authorized for these purposes pursuant to section 702 for each fiscal year to each State educational agency which has a State program submitted and approved under subparagraph (A) such sums as may be necessary for the proper and efficient conduct of such State program. The amount paid by the Commissioner to any State educational agency under the preceding sentence for any fiscal year shall not exceed 5 per centum of the aggregate of the amounts paid under this part to local educational agencies in the State of such State educational agency in the fiscal year preceding the fiscal year in which this limitation applies.

(c) In determining the distribution of funds under this title, the Commissioner shall give priority to areas having the greatest need for programs assisted under this title.

(20 U.S.C. 880b-7) Enacted August 21, 1974, P.L. 93-380, sec. 105(a)(1), 88 Stat. 506, 507.

INDIAN CHILDREN IN SCHOOLS

Sec. 722. (a) For the purpose of carrying out programs under this part for individuals served by elementary and secondary schools operated predominantly for Indian children, a nonprofit institution or organization of the Indian tribe concerned which operates any such school and which is approved by the Commissioner for the purposes of this section may be considered to be a local educational agency as such term is used in this title.

(b) From the sums appropriated pursuant to section 702(b), the Commissioner is authorized to make payments to the Secretary of the Interior to carry out programs of bilingual education for children on reservations served by elementary and secondary schools for Indian children operated or funded by the Department of the Interior. The terms upon which payments for such purpose may be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the policy of section 702(a).

(c) The Secretary of the Interior shall prepare and, not later than November 1 of each year, shall submit to the Congress and the President an annual report detailing a review and evaluation of the use, during the preceding fiscal year, of all funds paid to him by the Commissioner under subsection (b) of this section, including complete fiscal reports, a description of the personnel and information paid for in whole or in part with such funds, the allocation of such funds, and the status of all programs funded from such payments. Nothing in this subsection shall be construed to relieve the Director of any authority or obligation under this part.

(d) The Secretary of the Interior shall, together with the information required in the preceding subsection, submit to the Congress and the President, an assessment of the needs of Indian children with respect to the purposes of this title in schools operated or funded by the Department of the Interior, including those State educational agencies and local educational agencies receiving assistance under the Johnson-O'Malley Act (25 U.S.C. 452 et seq.) and an assessment of the extent to which such needs are being met by funds provided to such schools for educational purposes through the Secretary of the Interior.

(20 U.S.C. 880 b–8) Enacted August 21, 1974, P.L. 93–380, sec. 105(a)(1), 88 Stat. 507, 508.

TRAINING

SEC. 723. (a)(1) In carrying out the provisions of clauses (1) and (3) of subsection (a) of section 721, with respect to training, the Commissioner shall, through grants to, and contracts with, eligible applicants, as defined in subsection (b), provide for—

(A)(i) training, carried out in coordination with any other programs training auxiliary educational personnel, designed (I) to prepare personnel to participate in, or for personnel participating in, the conduct of programs of bilingual education, including programs emphasizing opportunities for career development, advancement, and lateral mobility, (II) to train teachers, administrators, paraprofessionals, teacher aides, and parents, and (III) to train persons to teach and counsel such persons, and (ii) special training programs designed (I) to meet individual needs, and (II) to encourage reform, innovation, and improvement in applicable education curricula in graduate education, in the structure of the academic profession, and in recruitment and retention of higher education and graduate school facilities, as related to bilingual education; and

(B) the operation of short-term training institutes designed to improve the skills of participants in programs of bilingual education in order to facilitate their effectiveness in carrying out responsibilities in connection with such programs.

(2) In addition the Commissioner is authorized to award fellowships for study in the field of training teachers for bilingual education. For the fiscal year ending June 30, 1975, not less than 100 fellowships leading to a graduate degree shall be awarded under the preceding sentence for preparing individuals to train teachers for programs of bilingual education. Such fellowships shall be awarded in proportion to the need for teachers of various groups of individuals with limited English-speaking ability. For each fiscal year after June 30, 1975, and prior to July 1, 1978, the Commissioner shall report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate on the number of fellowships in the field of training teachers for bilingual education which he recommends will be necessary for that fiscal year.

(3) The Commissioner shall include in the terms of any arrangement described in paragraphs (1) and (2) of subsection (a) of this section provisions for the payment, to persons participating in training programs so described, of such stipends (including allowances for subsistance and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(4) In making grants or contracts under this section, the Commissioner shall give priority to eligible applicants with demonstrated

competence and experience in the field of bilingual education. Funds provided under grants or contracts for training activities described in this section to or with a State educational agency, separately or jointly, shall in no event exceed in the aggregate in any fiscal year 15 per centum of the total amount of funds obligated for training activities pursuant to clauses (1) and (3) of subsection (a) of section 721 in such year.

(5) An application for a grant or contract for preservice or inservice training activities described in clause (A)(i)(I) and clause (A)(ii)(I) and in subsection (a)(1)(B) of this section shall be considered an application for a program of bilingual education for the purposes of subsection (a)(4)(E) of section 703.

(b) For the purposes of this section, the term "eligible applicants" means—

(1) institutions of higher education (including junior colleges and community colleges) which apply, after consultation with, or jointly with, one or more local educational agencies;

(2) local educational agencies; and

(3) State educational agencies.

(20 U.S.C. 880 b-9) **Enacted August 21, 1974, P.L. 93-380, sec. 105(a)(1), 88 Stat. 508, 509.**

PART B—ADMINISTRATION

OFFICE OF BILINGUAL EDUCATION

SEC. 731. (a) There shall be, in the Office of Education, an Office of Bilingual Education (hereafter in this section referred to as the "Office") through which the Commissioner shall carry out his functions relating to bilingual education.

(b)(1) The Office shall be headed by a Director of Bilingual Education, appointed by the Commissioner, to whom the Commissioner shall delegate all of his delegable functions relating to bilingual education.

(2) The Office shall be organized as the Director determines to be appropriate in order to enable him to carry out his functions and responsibilities effectively.

(c) The Commissioner, in consultation with the Council, shall prepare and, not later than November 1 of 1975, and of 1977, shall submit to the Congress and the President a report on the condition of bilingual education in the Nation and the administration and operation of this title and of other programs for persons of limited English-speaking ability. Such report shall include—

(1) a national assessment of the educational needs of children and other persons with limited English-speaking ability and of the extent to which such needs are being met from Federal, State, and local efforts, including (A) not later than July 1, 1977, the results of a survey of the number of such children and persons in the States,[1] and (B) a plan, including cost estimates, to be carried out during the five-year period beginning on such date, for extend-

---

[1] Section 501(b)(4) of P.L. 93-380 provides as follows:
"(4) The National Center for Education Statistics shall conduct the survey required by section 731(c)(1)(A) of title VII of the Elementary and Secondary Education Act of 1965."

ing programs of bilingual education and bilingual vocational and adult education programs to all such preschool and elementary school children and other persons of limited English-speaking ability, including a phased plan for the training of the necessary teachers and other educational personnel necessary for such purpose;

(2) a report on and an evaluation of the activities carried out under this title during the preceding fiscal year and the extent to which each of such activities achieves the policy set forth in section 702(a);

(3) a statement of the activities intended to be carried out during the succeeding period, including an estimate of the cost of such activities;

(4) an assessment of the number of teachers and other educational personnel needed to carry out programs of bilingual education under this title and those carried out under other programs for persons of limited English-speaking ability and a statement describing the activities carried out thereunder designed to prepare teachers and other educational personnel for such programs, and the number of other educational personnel needed to carry out programs of bilingual education in the States and a statement describing the activities carried out under this title designed to prepare teachers and other educational personnel for such programs; and

(5) a description of the personnel, the functions of such personnel, and information available at the regional offices of the Department of Health, Education, and Welfare dealing with bilingual programs within that region.

(20 U.S.C. 880b-10) Enacted August 21, 1974, P.L. 93-380, sec. 105(a)(1), 88 Stat. 509, 510.

NATIONAL ADVISORY COUNCIL ON BILINGUAL EDUCATION [1]

SEC. 732. (a) Subject to part D of the General Education Provisions Act, there shall be a National Advisory Council on Bilingual Education composed of fifteen members appointed by the Secretary, one of whom he shall designate as Chairman. At least eight of the members of the Council shall be persons experienced in dealing with the educational problems of children and other persons who are of limited English-speaking ability, at least one of whom shall be representative of persons serving on boards of education operating programs of bilingual education. At least three members shall be experienced in the training of teachers in programs of bilingual education. At least two members shall be persons with general experience in the field of elementary and secondary education. At least two members shall be classroom teachers of demonstrated teaching abilities using bilingual methods and techniques. The members of the Council shall be appointed in such a way as to be generally representative of the significant segments of the population of persons of limited English-speaking ability and the geographic areas in which they reside.

---

[1] Sec. 105(a)(2)(B) of P.L. 93-380 provides as follows:
"(B) The National Advisory Council on Bilingual Education, for which provision is made in section 732 of such Act, shall be appointed within ninety days after the enactment of this Act."

(b) The Council shall meet at the call of the Chairman, but, notwithstanding the provisions of section 446(a) of the General Education Provisions Act, not less often than four times in each year.

(c) The Council shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration and operation of this title, including the development of criteria for approval of applications, and plans under this title, and the administration and operation of other programs for persons of limited English-speaking ability. The Council shall prepare and, not later than November 1 of each year, submit a report to the Congress and the President on the condition of bilingual education in the Nation and on the administration and operation of this title, including those items specified in section 731(c), and the administration and operation of other programs for persons of limited English-speaking ability.

(d) The Commissioner shall procure temporary and intermittent services of such personnel as are necessary for the conduct of the functions of the Council, in accordance with section 445, of the General Education Provisions Act, and shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities effectively.

(20 U.S.C. 880b–11) **Enacted August 21, 1974, P.L. 93–380, sec. 105 (c)(1), 88 Stat. 510, 511.**

PART C—SUPPORTIVE SERVICES AND ACTIVITIES

ADMINISTRATION

SEC. 741 (a) The provisions of this part shall be administered by the Assistant Secretary, in consultation with—

(1) the Commissioner, through the Office of Bilingual Education; and

(2) the Director of the National Institute of Education, notwithstanding the second sentence of section 405(b)(1) of the General Education Provision Act;

in accordance with regulations.

(b) The Assistant Secretary shall, in accordance with clauses (1) and (2) of subsection (a), develop and promulgate regulations for this part and then delegate his functions under this part, as may be appropriate under the terms of section 742.

(20 U.S.C. 880b–12) **Enacted August 21, 1974, P.L. 93–380, sec. 105(a)(1), 88 Stat. 511.**

RESEARCH AND DEMONSTRATION PROJECTS

SEC. 742. (a) The National Institute of Education shall, in accordance with the provisions of section 405 of the General Education Provisions Act, carry out a program of research in the field of bilingual education in order to enhance the effectiveness of bilingual education programs carried out under this title and other programs for persons of limited English-speaking ability.

(b) In order to test the effectiveness of research findings by the National Institute of Education and to demonstrate new or innovative practices, techniques, and methods for use in such bilingual education programs, the Director and the Commissioner are authorized to make competitive contracts with public and private educational agencies, institutions, and organizations for such purpose.

(c) In carrying out their responsibilities under this section, the Commissioner and the Director shall, through competitive contracts with appropriate public and private agencies, institutions, and organizations—

(1) undertake studies to determine the basic educational needs and language acquisition characteristics of, and the most effective conditions for, educating children of limited English-speaking ability;

(2) develop, and disseminate instructional materials and equipment suitable for use in bilingual education programs; and

(3) establish and operate a national clearinghouse of information for bilingual education, which shall collect, analyze, and disseminate information about bilingual education and such bilingual education and related programs.

(d) In carrying out their responsibilities under this section, the Commissioner and the Director shall provide for periodic consultation with representatives of State and local educational agencies and appropriate groups and organizations involved in bilingual education.

(e) There is authorized to be appropriated for each fiscal year prior to July 1, 1978, $5,000,000 to carry out the provisions of this section.

(20 U.S.C. 880 b–13) Enacted August 21, 1974, P.L. 93–380, sec. 105(a)(1), 88 Stat. 511, 512.

TITLE VIII—GENERAL PROVISIONS

DEFINITIONS

SECTION 801. As used in titles II, III, V, VI,[1] and VII of this Act, except when otherwise specified—

(a) The term "Commissioner" means the Commissioner of Education.

(b) The term "construction" means (1) erection of new or expansion of existing structures, and the acquisition and installation of equipment therefore; or (2) acquisition of existing structures not owned by any agency or institution making application for assistance under this Act; or (3) remodeling or alteration (including the acquisition, installation, modernization, or replacement of equipment) of existing structures; or (4) a combination of any two or more of the foregoing.

(c) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(d) The term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

---

[1] Repealed effective July 1, 1971.

(e) The term "institution of higher education" means an educational institution in any State which—

(1) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(2) is legally authorized within such State to provide a program of education beyond high school;

(3) provides an educational program for which it awards a bachelor's degree, or provides not less than a two-year program which is acceptable for full credit toward such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

(4) is a public or other nonprofit institution; and

(5) is accredited by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited: *Provided, however*, That in the case of an institution offering a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which requires the understanding and application of basic engineering, scientific, or mathematical principles or knowledge if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit such institutions, he shall appoint an advisory committee, composed of persons specially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope, and quality which must be met in order to qualify such institutions to participate under this Act and shall also determine whether particular institutions meet such standards. For the purposes of this paragraph the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered.

(f) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such terms also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(g) The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(h) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(i) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(j) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands and for purposes of titles II, III, VI, and VII, such terms also includes the Trust Territory of the Pacific Islands.

(k) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(l) The term "gifted and talented children" means, in accordance with objective criteria prescribed by the Commissioner, children who have outstanding intellectual ability or creative talent the development of which requires special activities or services not ordinarily provided by local educational agencies.

(20 U.S.C. 881) Enacted April 11, 1965, P.L. 89-10, Title VIII, sec. 801, formerly Title VI, sec. 601, 79 Stat. 55; redesignated as Title VII, sec. 701, Nov. 3, 1966, P.L. 89-750, Title I, sec. 161, 80 Stat. 1204; amended and redesignated Jan. 2, 1968, P.L. 90-247, Titles I, VII, secs. 142(b), 152(c), 702, 703, 81 Stat. 799, 803, 816, 819; amended April 13, 1970, P.L. 91-230, Title I, sec. 162, 84 Stat. 152.

FEDERAL ADMINISTRATION

SEC. 803. (a) (Repealed).

(b) (Repealed).

(c) In administering the provisions of this Act and any Act amended by this Act, the Commissioner shall consult with other Federal departments and agencies administering programs which may be effectively coordinated with programs carried out pursuant to such Acts, and to the extent practicable for the purposes of such Acts shall coordinate such programs on the Federal level with the programs being administered by such other departments and agencies. Federal departments and agencies administering programs which may be effectively coordinated with programs carried out under this Act or any Act amended by this Act, including community action programs carried out under title II of the Economic Opportunity Act of 1964, shall, to the fullest extent permitted by other applicable law, carry out such programs in such a manner as to assist in carrying out, and to make more effective, the programs under this Act or any Act amended by this Act.

(20 U.S.C. 883) Enacted April 11, 1965, P.L. 89-10, Title VIII, sec. 803, formerly Title VI, sec. 603, 79 Stat. 57; redesignated as Title VII, sec. 703, and amended Nov. 3, 1966, P.L. 89-750, Title I, secs. 111(f), 161, 80 Stat. 1196, 1204; redesignated Jan. 2, 1968, P.L. 90-247, Title VII, sec. 702, 81 Stat. 816, amended April 13, 1970, P.L. 91-230, Title I, sec. 163, Title IV, 401(c)(2), 84 Stat. 153, 173. Sections (a) and (b) superseded by sec. 411 of P.L. 90-247, as amended by P.L. 91-230 (20 U.S.C. 1231).

STATUTE OF LIMITATIONS ON REFUND OF PAYMENTS

SEC. 804. No State or local educational agency shall be liable to refund any payment made to such agency under this Act (including title I of this Act) which was subsequently determined to be unauthorized by law, if such payment was made more than five years before such agency received final written notice that such payment was unauthorized.

(20 U.S.C. 884) Enacted August 21, 1974, P.L. 93-380, sec. 106, 88 Stat. 512.

LIMITATION ON PAYMENTS UNDER THIS ACT

SEC. 805. Nothing contained in this Act shall be construed to authorize the making of any payment under this Act, or under any Act amended by this Act, for religious worship or instruction.

(20 U.S.C. 885) Enacted April 1965, P.L. 89-10, Title VIII, sec. 805, formerly Title VI, sec. 605, 79 Stat. 58; redesignated as Title VII, sec. 705, Nov. 3, 1966, P.L. 89-750, Title I, sec. 161, 80 Stat. 1204; redesignated Jan. 2, 1968, P.L. 90-247, Title VII, sec. 702, 81 Stat. 816.

DROPOUT PREVENTION PROJECTS

SEC. 807. (a) The Commissioner is authorized to arrange by contract grant, or otherwise, with local educational agencies for the carrying out by such agencies in schools which (1) are located in urban or rural areas, (2) have a high percentage of children from families with an income not exceeding the low-income factor, as defined in section 103(c), and (3) have a high percentage of such children who do not complete their education in elementary or secondary school, of demonstration projects involving the use of innovative methods, systems, materials, or programs which show promise of reducing the number of such children who do not complete their education in elementary and secondary schools.

(b) The Commissioner shall approve arrangements pursuant to this section only on application by a local educational agency and upon his finding:

(1) that the project will be carried out in one or more schools described in subsection (a);

(2) that the applicant has analyzed the reasons for such children not completing their education and has designed a program to meet this problem;

(3) that effective procedures, including objective measurements of educational achievements, will be adopted for evaluating at least annually the effectiveness of the project; and

(4) that the project has been approvd by the appropriate State educational agency.

(c) For the purpose of carrying out the provisions of this section, there is hereby authorized to be appropriated $30,000,000 for each of the fiscal years ending June 30, 1970, and June 30, 1971, $31,500,000 for the fiscal year ending June 30, 1972, and $33,000.00 for the fiscal year ending June 30, 1973, and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation during any year for which funds are available for obligation for carrying out part C of title IV.

(20 U.S.C. 887) Enacted and redesignated Jan. 2, 1968, P.L. 90-247, Titles I, VII, secs. 172, 702, 81 Stat. 806, 816; amended April 13, 1970, P.L. 91-230, Title I, sec. 161, 84 Stat. 152; amended August 21, 1974, P.L. 93-380, sec. 107, 88 Stat. 512, 513.

GRANTS FOR DEMONSTRATION PROJECTS TO IMPROVE SCHOOL NUTRITION AND HEALTH SERVICES FOR CHILDREN FROM LOW-INCOME FAMILIES

SEC. 808. (a) The Secretary shall carry out a program of making grants to local educational agencies and, where appropriate, nonprofit private educational organizations, to support demonstration projects designed to improve nutrition and health services in public and private schools serving areas with high concentrations of children from low-income families.

(b) Funds appropriated pursuant to subsection (d) shall be available for grants pursuant to applications approved under this section to pay the cost of (1) coordinating nutrition and health service resources in the areas to be served by a demonstration project supported under this section, (2) providing supplemental health, nutritional, mental health, and food services to children from low-income families when the resources for such services available to the applicant from other sources are inadequate to meet the needs of such children, (3) nutrition and health education programs designed to train professional and other school personnel to provide nutrition and health services in a manner which meets the needs of children from low-income families for such services, and (4) the evaluation of projects assisted under this section with respect to their effectiveness in improving school nutrition and health services for such children.

(c) Applications for a grant under this section shall be submitted at such time, contain such information, and be consistent with such criteria as the Secretary may require by regulation. Such applications shall provide for—

(1) the use of funds available under this section and the coordination of health care facilities and resources and such nutrition resources as may be available to the applicant in order to insure that a comprehensive program of physical and mental health and nutrition services are available to children from low-income families in the area to be served;

(2) the development of health and nutrition curriculum materials related to the specific needs of persons involved with the project and to new and improved approaches to health services and food technology;

(3) the training of (A) school administrators, teachers, and school health and nutrition personnel in order to assist them in meeting the health and nutritional needs of children from low-income families, and (B) professional and subprofessional personnel for service in school nutrition and health programs; and

(4) adequate provision for evaluation of the project.

(d) For the purpose of making grants under this section there are hereby authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1970, $10,000,000 for the fiscal year ending June 30, 1971, $16,000,000 for the fiscal year ending June 30, 1972, and $26,000,000 for the fiscal year ending June 30, 1973, and each of the five succeeding fiscal years, except that no funds are authorized to be appropriated for obligation during any year for which funds are available for obligation for carrying out part C of title IV.

(20 U.S.C. 887a) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 164, 84 Stat. 153; amended August 21, 1974, P.L. 93-380, sec. 108, 88 Stat. 513.

RESEARCH AND DEMONSTRATION PROJECTS IN CORRECTION EDUCATION SERVICES [1]

SEC. 809. (a) The Commissioner is authorized to make grants to State and local educational agencies, institutions of higher education, and other public and private nonprofit research agencies and organizations for research or demonstration projects, relating to the academic and vocational education of antisocial, aggressive, or delinquent persons, including juvenile delinquents, youth offenders, and adult criminal offenders, including the development of criteria for the identification for specialized educational instruction of such persons from the general elementary and secondary school age population and special curriculums, and guidance and counseling programs. All projects shall include an evaluation component.

(b) The Commissioner is authorized to appoint such special or technical advisory committees as he may deem necessary to advise him on matters of general policy relating to the education of persons intended to be benefited by this section, and shall secure the advice and recommendations of the Director, Bureau of Prisons, of the Director, Office of Juvenile Delinquency and Youth Development, the Director of the Teachers Corps, the head of the National Institute of Law Enforcement and Criminal Justice, the Administrator of the Law Enforcement Assistance Administration, and such other persons and organizations as he, in his discretion, deems necessary before making any grant under this section.

(c) For the purpose of carrying out this section, there is authorized to be appropriated $500,000 for the fiscal year ending June 30, 1974, and for the succeeding fiscal year.

(20 U.S.C. 887b) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 164, 84 Stat. 154; amended August 21, 1974, P.L. 93-380, sec. 109, 88 Stat. 513.

IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN

SEC. 810. (a) The Commissioner shall carry out a program of making grants for the improvement of educational opportunities for Indian children—

(1) to support planning, pilot, and demonstration projects, in accordance with subsection (b), which are designed to test and demonstrate the effectiveness of programs for improving educational opportunities for Indian children;

(2) to assist in the establishment and operation of programs, in accordance with subsection (c), which are designed to stimulate (A) the provision of educational services not available to Indian children in sufficient quantity or quality, and (B) the development and establishment of exemplary educational programs to

---

[1] Effective July 1, 1975, section 809 is repealed (sec. 402(c)(3), P.L. 93-380).

serve as models for regular school programs in which Indian children are educated;

(3) to assist in the establishment and operation of preservice and inservice training programs, in accordance with subsection (d), for persons serving Indian children as educational personnel; and

(4) to encourage the dissemination of information and materials relating to, and the evaluation of the effectiveness of, education programs which may offer educational opportunities to Indian children.

In the case of activities of the type described in clause (3) preference shall be given to the training of Indians.

(b) The Commissioner is authorized to make grants to State and local educational agencies, federally supported elementary and secondary schools for Indian children and to Indian tribes, organizations, and institutions to support planning, pilot, and demonstration projects which are designed to plan for, and test and demonstrate the effectiveness of, programs for improving educational opportunities for Indian children, including—

(1) innovative programs related to the educational needs of educationally deprived children;

(2) bilingual and bicultural education programs and projects;

(3) special health and nutrition services, and other related activities, which meet the special health, social, and psychological problems of Indian children; and

(4) coordinating the operation of other federally assisted programs which may be used to assist in meeting the needs of such children.

(c) The Commissioner is also authorized to make grants to State and local educational agencies and to tribal and other Indian community organizations to assist and stimulate them in developing and establishing educational services and programs specifically designed to improve educational opportunities for Indian children. Grants may be used—

(1) to provide educational services not available to such children in sufficient quantity or quality, including—

(A) remedial and compensatory instruction, school health, physical education, psychological, and other services designed to assist and encourage Indian children to enter, remain in, or reenter elementary or secondary school;

(B) comprehensive academic and vocational instruction;

(C) instructional materials (such as library books, textbooks, and other printed or published or audiovisual materials) and equipment;

(D) comprehensive guidance, counseling, and testing services;

(E) special education programs for handicapped;

(F) preschool programs;

(G) bilingual and bicultural education programs; and

(H) other services which meet the purposes of this subsection; and

(2) for the establishment and operation of exemplary and innovative educational programs and centers, involving new educational approaches, methods, and techniques designed to enrich programs of elementary and secondary education for Indian children.

(d) The Commissioner is also authorized to make grants to institutions of higher education and to State and local educational agencies, in combination with institutions of higher education, for carrying out programs and projects—

(1) to prepare persons to serve Indian children as teachers, teacher aides, social workers, and ancillary educational personnel; and

(2) to improve the qualifications of such persons who are serving Indian children in such capacities.

Grants for the purposes of this subsection may be used for the establishment of fellowship programs leading to an advanced degree, for institutes and, as part of a continuing program, for seminars, symposia, workshops, and conferences. In carrying out the programs authorized by this subsection, preference shall be given to the training of Indians.

(e) The Commissioner is also authorized to make grants to and contracts with, public agencies, and institutions and Indian tribes, institutions, and organizations for—

(1) the dissemination of information concerning education programs, services, and resources available to Indian children, including evaluations thereof; and

(2) the evaluation of the effectiveness of federally assisted programs in which Indian children may participate in achieving the purposes of such programs with respect to such children.

(f) Applications for a grant under this section shall be submitted at such time, in such manner, and shall contain such information, and shall be consistent with such criteria, as may be established as requirements in regulations promulgated by the Commissioner. Such applications shall—

(1) set forth a statement describing the activities for which assitance is sought;

(2) in the case of an application for the purposes of subsection (c), subject to such criteria as the Commissioner shall prescribe, provide for the use of funds available under this section, and for the coordination of other resources available to the applicant, in order to insure that, within the scope of the purpose of the project, there will be a comprehensive program to achieve the purposes of this section;

(3) in the case of an application for the purposes of subsection (c), make adequate provision for the training of the personnel participating in the project; and

(4) provide for an evaluation of the effectiveness of the project in achieving its purposes and those of this section.

The Commissioner shall not approve an application for a grant under subsection (b) or (c) unless he is satisfied that such application, and any documents submitted with respect thereto, show that there has been adequate participation by the parents of the children to be served and tribal communities in the planning and development of the project, and that there will be such a participation in the operation and evaluation of the project. The Commissioner shall not approve an application for a grant under subsection (b), (c), or (d) unless he is satisfied that such an application, to the extent consistent with the number of eligible children in the area to be served who are enrolled in private nonprofit elementary and secondary schools whose needs are of the type which the program is intended to meet, makes provision for the participation of such children on an equitable basis. In approving applications under this section, the Commissioner shall give priority to applications from Indian educational agencies, organizations, and institutions.

(g) For the purpose of making grants under this section there are hereby authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1973, and $35,000,000 for each of the succeeding fiscal years ending prior to July 1, 1978.

(20 U.S.C. 887(c) Enacted June 23, 1972, P.L. 92-318, Sec. 421(a); 86 Stat. 339, 341; amended August 21, 1974, P.L. 93-380, sec. 631(a), 88 Stat. 585; amended August 21, 1974, P.L. 93-380, sec. 632(a), 88 Stat. 586.

CONSUMERS' EDUCATION PROGRAMS [1]

SEC. 811. (a)(1) There shall be within the Office of Education an Office of Consumers' Education (hereafter in this section referred to as the 'Office') which shall be headed by a Director of Consumers' Education (hereafter in this section referred to as the 'Director') who, subject to the management of the Commissioner, shall have responsibility for carrying out the provisions of this section.

(2) The Director shall be appointed by the Commissioner in accordance with the provisions of title 5 of the United States Code relating to appointments to the competitive service.

(b)(1)(A) The Director shall carry out a program of making grants to, and contracts with, institutions of higher education, State and local educational agencies, and other public and private agencies, organizations, and institutions (including libraries) to support research, demonstration, and pilot projects designed to provide consumer education to the public except that no grant may be made other than to a nonprofit agency, organization, or institution.

(B) Funds appropriated for grants and contracts under this section shall be available for such activities as—

---

[1] Note: Sec. 505(a)(1) and (2) of P.L. 92-318 read as follows:

"SEC. 505(a)(1) The Congress of the United States finds that there do not exist adequate resources for educating and informing consumers about their role as participants in the marketplace

"(2) It is the purpose of the amendment made by this section to encourage and support the development of new improved curricula to prepare consumers for participation in the marketplace to demonstrate the use of such curriculums in model educational programs and to evaluate the effectiveness thereof; to provide support for the initiation and maintenance of programs in consumer education at the elementary and secondary and higher education levels; the disseminate curricular materials and other information for use in educational programs throughout the Nation; to provide training programs for teachers, other educational personnel, public service personnel, and community and labor leaders and employees, and government employees at State, Federal, and local levels; to provide for Community Consumer education programs; and to provide for the preparation and distribution of materials by mass media in dealing with consumer education."

(i) the development of curricula (including interdisciplinary curricula) in consumer education;

(ii) dissemination of information relating to such curricula;

(iii) in the case of grants to State and local educational agencies and institutions of higher education, for the support of education programs at the elementary and secondary and higher education levels; and

(iv) preservice and inservice training programs and projects (including fellowship programs, institutes, workshops, symposiums, and seminars) for educational personnel to prepare them to teach in subject matter areas associated with consumer education.

In addition to the activities specified in the first sentence of this paragraph, such funds may be used for projects designed to demonstrate, test, and evaluate the effectiveness of any such activities, whether or not assisted under this section. Activities pursuant to this section shall provide bilingual assistance when appropriate.

(C) Financial assistance under this subsection may be made available only upon application to the Director. Applications under this subsection shall be submitted at such time, in such form, and containing such information as the Director shall prescribe by regulation and shall be approved only if it—

(i) provides that the activities and service for which assistance is sought will be administered by, or under the supervision of, the applicant;

(ii) describes a program for carrying out one or more of the purposes set forth in the first sentence of subparagraph (B) which holds promise of making a substantial contribution toward attaining the purposes of this section;

(iii) sets forth such policies and procedures as will insure adequate evaluation of the activities intended to be carried out under the application;

(iv) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practical increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in this section, and in no case supplant such funds;

(v) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of an accounting for Federal funds paid to the applicant under this section; and

(vi) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require and for keeping such records, and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

Applications from local educational agencies for financial assistance under this section may be approved by the Director only if the State educational agency has been notified of the application and been given the opportunity to offer recommendations.

(2) Federal assistance to any program or project under this subsection, other than those involving curriculum development, dissemina-

tion of curricular materials, and evaluation, shall support up to 100 per centum of the cost of such program including costs of administration; contributions in kind are acceptable as local contributions to program costs.

(c) Each recipient of Federal funds under this section shall make such reports and evaluations as the Commissioner shall prescribe by regulation.

(d) For the purpose of carrying out this section, the Commissioner is authorized to expend not to exceed $15,000,000 for each fiscal year ending prior to July 1, 1978.[1]

(20 U.S.C. 887d) Enacted June 23, 1972, P.L. 92-318, sec. 505(a), 86 Stat. 349, 350; amended August 21, 1974, P.L. 93-380, sec. 407, 88 Stat. 553.

OPEN MEETINGS OF EDUCATIONAL AGENCIES

SEC. 812. No application for assistance under this Act may be considered unless the local educational agency making such application certifiies to the Commissioner that members of the public have been afforded the opportunity upon reasonable notice to testify or otherwise comment regarding the subject matter of the application. The Commissioner is authorized and directed to establish such regulations as necessary to implement this section.

(20 U.S.C. 887e) Enacted August 21, 1974, P.L. 93-380, sec. 110, 88 Stat. 513.

TITLE IX—ETHNIC HERITAGE PROGRAM

STATEMENT OF POLICY

SEC. 901. In recognition of the heterogeneous composition of the Nation and of the fact that in a multiethnic society a greater understanding of the contributions of one's own heritage and those of one's fellow citizens can contribute to a more harmonious, patriotic, and committed populace, and in recognition of the principle that all persons in the educational institutions of the Nation should have an opportunity to learn about the differing and unique contributions to the national heritage made by each ethnic group, it is the purpose of this title to provide assistance designed to afford to students opportunities to learn about the nature of their own cultural heritage, and to study the contributions of the cultural heritages of the other ethnic groups of the Nation.

(20 U.S.C. 900) Enacted June 23, 1972, P.L. 92-318, sec. 504(a), 86 Stat. 346, 347.

ETHNIC HERITAGE STUDIES PROGRAMS

SEC. 902. The Commissioner is authorized to make grants to, and contracts with, public and private nonprofit educational agencies, institutions, and organizations to assist them in planning, developing, establishing, and operating ethnic heritage studies programs, as provided in this title.

(20 U.S.C. 900a) Enacted June 23, 1972, P.L. 92-318, sec. 504(a), 86 Stat. 347.

---

[1] Sec. 402(a)(4) of P.L. 93-380 provides that no appropriation may be made for this section in any fiscal year during which funds are available for the purposes of this section under the provisions of subsection 402(a) (The Special Projects Act).

AUTHORIZED ACTIVITIES

SEC. 903. Each program assisted under this title shall—

(1) develop curriculum materials for use in elementary or secondary schools or institutions of higher education relating to the history, geography, society, economy, literature, art, music, drama, language, and general culture of the group or groups with which the program is concerned, and the contributions of that ethnic group or groups to the American heritage; or

(2) disseminate curriculum materials to permit their use in elementary or secondary schools or institutions of higher education throughout the Nation; or

(3) provide training for persons using, or preparing to use, curriculum materials developed under this title; and

(4) cooperate with persons and organizations with a special interest in the ethnic group or groups with which the program is concerned to assist them in promoting, encouraging, developing, or producing programs or other activities which relate to the history, culture, or traditions of that ethnic group or groups.

(20 U.S.C. 900a–1) Enacted June 23, 1972, P.L. 92–318, sec. 504(a), 86 Sat. 347; amended August 21, 1974, P.L. 93–380, sec. 111(b), 88 Stat. 513, 514.

APPLICATIONS

SEC. 904. (a) Any public or private nonprofit agency, institution, or organization desiring assistance under this title shall make application therefor in accordance with the provisions of this title and other applicable law and with regulations of the Commissioner promulgated for the purposes of this title. The Commissioner shall approve an application under this title only if he determines that—

(1) the program for which the application seeks assistance will be operated by the applicant and that the applicant will carry out such program in accordance with this title;

(2) such program will involve the activities described in section 903; and

(3) such program has been planned, and will be carried out, in consultation with an advisory council which is representative of the ethnic group or groups with which the program is concerned and which is appointed in a manner prescribed by regulation.

(b) In approving applications under this title, the Commissioner shall insure that there is cooperation and coordination of efforts among the programs assisted under this title, including the exchange of materials and information and joint programs where appropriate.

(20 U.S.C. 900a–2) Enacted June 23, 1972, P.L. 92–318, sec. 104(a), 86 Stat. 347.

ADMINISTRATIVE PROVISIONS

SEC. 905. (a) In carrying out this title, the Commissioner shall make arrangements which will utilize (1) the research facilities and personnel of institutions of higher education, (2) the special knowledge of ethnic groups in local communities and of foreign students pursuing their education in this country, (3) the expertise of teachers in elementary and secondary schools and institutions of higher education, and (4) the talents and experience of any other groups such as foundations, civic groups, and fraternal organizations which would further the goals of the programs.

(b) Funds appropriated to carry out this title may be used to cover all or part of the cost of establishing and carrying out the programs, including the cost of research materials and resources, academic consultants, and the cost of training of staff for the purpose of carrying out the purposes of this title. Such funds may also be used to provide stipends (in such amounts as may be determined in accordance with regulations of the Commissioner) to individuals receiving training as part of such programs, including allowances for dependents.

(20) U.S.C. 900a-3 Enacted June 23, 1972, P.L. 92-318, sec. 104(a), 86 Stat. 347, 348.

NATIONAL ADVISORY COUNCIL

SEC. 906. (a) There is hereby established a National Advisory Council on Ethnic Heritage Studies consisting of fifteen members appointed by the Secretary who shall be appointed, serve, and be compensated as provided in part D of the General Education Provisions Act.

(b) Such Council shall, with respect to the program authorized by this title, carry out the duties and functions specified in part D of the General Education Provisions Act.

(20 U.S.C. 900a-4) Enacted June 23, 1972, P.L. 92-318, sec. 104(a), 86 Stat. 348.

APPROPRIATIONS AUTHORIZED

SEC. 907. For the purpose of carrying out this title, there are authorized to be appropriated $15,000,000 for each of the fiscal years ending prior to July 1, 1978. Sums appropriated pursuant to this section shall, notwithstanding any other provision of law unless enacted in express limitation of this sentence, remain available for expenditure and obligation until the end of the fiscal year succeeding the fiscal year for which they were appropriated.

(20 U.S.C. 900a-5) Enacted June 23, 1972, P.L. 92-318, sec. 104(a), 86 Stat. 348; amended August 21, 1974, P.L. 93-380, sec. 111(a)(1), 88 Stat. 513.

INDIAN EDUCATION ACT

SHORT TITLE

SEC. 401. This title may be cited as the "Indian Education Act."

Enacted June 23, 1972, P.L. 92-318, sec. 401, 86 Stat. 334.

PART A—REVISION OF IMPACTED AREAS PROGRAM AS IT RELATES TO INDIAN CHILDREN

AMENDMENTS TO PUBLIC LAW 874, EIGHTY-FIRST CONGRESS

* * * * * * *

(NOTE.—These provisions are contained in Title III, P.L. 874 at p. 211)

* * * * * * *

PART B—SPECIAL PROGRAMS AND PROJECTS TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN

AMENDMENT TO TITLE VIII OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

* * * * * * *

(NOTE.—These provisions are contained in Title VIII of the ESEA at p. 143)

* * * * * * *

SEC. 421(b)(2). For the purposes of titles II and III of the Elementary and Secondary Education Act of 1965 and part B of title VI of Public Law 91–230, the Secretary of the Interior shall have the same duties and responsibilities with respect to funds paid to him under such titles, as he would have if the Department of the Interior were a State educational agency having responsibilty for the administration of a State plan under such titles.

SPECIAL EDUCATIONAL TRAINING PROGRAMS FOR TEACHERS OF INDIAN CHILDREN

SEC. 422. (a) The Commissioner is authorized to make grants to and enter into contracts with institutions of higher education, Indian organizations, and Indian tribes for the purpose of preparing individuals for teaching or administering special programs and projects designed to meet the special educational needs of Indian children and to provide in-service training for persons teaching in such programs. Priority shall be given to Indian institutions and organizations. In carrying out his responsibilities under this section, the Commissioner is authorized to award fellowships and traineeships to individuals and to make grants to and to enter into contracts with institutions of higher education, Indian organizations, and Indian tribes for cost of education allowances. In awarding fellowships and traineeships under this section, the Commissioner shall give preference to Indians.

(b) In the case of traineeships and fellowships, the Commissioner is authorized to grant stipends to, and allowances for dependents of, persons receiving traineeships and fellowships.

(c) There is authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1975, and for each of the three succeeding fiscal years to carry out the provisions of this section.

(20 U.S.C. 887c-1) Enacted August 21, 1974, P.L. 93–380, sec. 632(c), 88 Stat. 586.

FELLOWSHIPS FOR INDIAN STUDENTS

SEC. 423. (a) During the fiscal year ending June 30, 1975, and each of the three succeeding fiscal years, the Commissioner is authorized to award not to exceed two hundred fellowship to be used for study in graduate and professional programs at institutions of higher education. Such fellowships shall be awarded to Indian students in order to enable them to pursue a course of study of not less than three, nor more than four, academic years leading toward a professional or graduate degree in engineering, medicine, law, business, forestry and related fields. In addition to the fellowships authorized to be awarded in the first sentence of this subsection, the Commissioner is authorized to award a number of fellowships equal to the number previously awarded during any fiscal year under this subsection but vacated prior to the end of the period during which they were awarded, except that each fellowship so awarded shall be only for a period of study not in excess of the remainder of the period of time for which the fellowship it replaces was awarded, as the Commissioner may determine.

(b) The Commissioner shall pay to persons awarded fellowships under this subsection such stipends (including such allowances for subsistence of such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(c) The Commissioner shall pay to the institution of higher education at which the holder of a fellowship under this subsection is pursuing a course of study, in lieu of tuition charged such holder, such amounts as the Commissioner may determine to cover the cost of education for the holder of such a fellowship.

(20 U.S.C. 887c-2) Enacted August 21, 1974, P.L. 93-380, sec. 632(c), 88 Stat. 586, 587.

PART C—SPECIAL PROGRAMS RELATING TO ADULT EDUCATION FOR INDIANS

AMENDMENT TO THE ADULT EDUCATION ACT

NOTE.—These provisions are contained in section 314 of the Adult Education Act at p. 292.)

PART D—OFFICE OF INDIAN EDUCATION

OFFICE OF INDIAN EDUCATION

SEC. 441. (a) There is hereby established, in the Office of Education, a bureau to be known as the "Office of Indian Education" which, under the direction of the Commissioner, shall have the responsibility for administering the provisions of title III of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as added by this Act, section 810 of title VIII of the Elementary and Secondary Education Act of 1965, as added by this Act, and section 314 of title III of the Elementary and Secondary Education Amendments of 1966, as added by this Act. The Office shall be headed by a Deputy Commissioner of Indian Education, who shall be appointed by the Commissioner of Education from a list of nominees submitted to him by the National Advisory Council on Indian Education.

(b) The Deputy Commissioner of Indian Education shall be compensated at the rate prescribed for, and shall be placed in, grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code, and shall perform such duties as are delegated or assigned to him by the Commissioner. The position created by this subsection shall be in addition to the number of positions placed in grade 18 of such General Schedule under section 5108 of title 5, United States Code.

(20 U.S.C. 1221f) Enacted June 23, 1972, P.L. 92-318, sec. 441, 86 Stat. 343.

NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION

SEC. 442. (a) There is hereby established the National Advisory Council on Indian Education (referred to in this title as the "National Council"), which shall consist of fifteen members who are Indians and Alaska Natives appointed by the President of the United States. Such appointments shall be made by the President from lists of nominees furnished, from time to time, by Indian tribes and organizations, and shall represent diverse geographic areas of the country. Subject to section 448(b) of the General Education Provisions Act, the National Council shall continue to exist until July 1, 1978.

(b) The National Council shall—

(1) advise the Commissioner of Education with respect to the administration (including the development of regulations and of administrative practices and policies) of any program in which Indian children or adults participate from which they can benefit, including title III of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as added by this Act, and section 810, title VIII of the Elementary and Secondary Education Act of 1965, as added by this Act and with respect to adequate funding thereof;

(2) review applications for assistance under title III of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as added by this Act, section 810 of title VIII of the Elementary and Secondary Education Act of 1965, as added by this Act and section 314 of the Adult Education Act, as added by this Act, and make recommendations to the Commissioner with respect to their approval;

(3) evaluate program and projects carried out under any program of the Department of Health, Education, and Welfare in which Indian children or adults can participate or from which they can benefit, and disseminate the results of such evaluations;

(4) provide technical assistance to local educational agencies and to Indian educational agencies, institutions, and organizations to assist them in improving the education of Indian children;

(5) assist the Commissioner in developing criteria and regulations for the administration and evaluation of grants made under section 303(b) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress); and

(6) to submit to the Congress not later than March 31 of each year a report on its activities, which shall include any recommendations it may deem necessary for the improvement of Federal education programs in which Indian children and adults participate, or from which they can benefit, which report shall include statement of the National Council's recommendations to the Commissioner with respect to the funding of any such programs.

(c) With respect to functions of the National Council stated in clauses (2), (3), and (4) of subsection (b), the National Council is authorized to contract with any public or private nonprofit agency, institution, or organization for assistance in carrying out such functions.

(d) From the sums appropriated pursuant to section 400(d) of the General Education Provisions Act which are available for the purposes of section 411 of such Act and for part D of such Act, the Commissioner shall make available such sums as may be necessary to enable the National Council to carry out its functions under this section.

(20 U.S.C. 1221g) Enacted June 23, 1972, P.L. 92–318, sec. 442, 86 Stat. 343, 344; amended August 21, 1974, P.L. 93–380, sec. 505(a)(2), 88 Stat. 562; amended August 21, 1974, P.L. 93–380, sec. 845(d), 88 Stat. 612.

PART E—MISCELLANEOUS PROVISIONS

SEC. 451. (This section is an amendment to Title V of the HEA of 1965 and is included at p. 375).

SEC. 452. (This section is an amendment to Title VII of the ESEA of 1965 and is included at p. 133).

DEFINITION

SEC. 453. For the purposes of this title, the term "Indian" means any individual who (1) is a member of a tribe, band, or other organized group of Indians, including those tribes, bands, or groups terminated since 1940 and those recognized now or in the future by the State in which they reside, or who is a descendant, in the first or second degree, of any such member, or (2) is considered by the Secretary of the Interior to be an Indian for any purpose, or (3) is an Eskimo or Aleut or other Alaska Native, or (4) is determined to be an Indian under regulations promulgated by the Commissioner, after consultation with the National Advisory Council on Indian Education, which regulations shall further define the term "Indian."

(20 U.S.C. 1221h) Enacted June 23, 1972, P.L. 92–318, sec. 453, 86 Stat. 345.

TITLE VII—EMERGENCY SCHOOL AID[1]

SHORT TITLE

SEC. 701. This title may be cited as the "Emergency School Aid Act."

Enacted June 23, 1972, P.L. 92–318, sec. 701, 86 Stat. 354.

FINDINGS AND PURPOSE

SEC. 702. (a) The Congress finds that the process of eliminating or preventing minority group isolation and improving the quality of education for all children often involves the expenditure of additional funds to which local educational agencies do not have access.

(b) The purpose of this title is to provide financial assistance—

(1) to meet the special needs incident to the elimination of minority group segregation and discrimination among students and faculty in elementary and secondary schools;

---

[1] Title VII of P.L. 92–318.

(2) to encourage the voluntary elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority group students; and

(3) to aid school children in overcoming the educational disadvantages of minority group isolation.

(20 U.S.C. 1601) Enacted June 23, 1972, P.L. 92–318, sec. 702, 86 Stat. 354.

POLICY WITH RESPECT TO THE APPLICATION OF CERTAIN PROVISIONS OF FEDERAL LAW

SEC. 703. (a) It is the policy of the United States that guidelines and criteria established pursuant to this title shall be applied uniformly in all regions of the United States in dealing with conditions of segregation by race in the schools of the local educational agencies of any State without regard to the origin or cause of such segregation.

(b) It is the policy of the United States that guidelines and criteria established pursuant to title VI of the Civil Rights Act of 1964 and section 182 of the Elementary and Secondary Education Amendments of 1966 shall be applied uniformly in all regions of the United States in dealing with conditions of segregation by race whether de jure or de facto in the schools of the local educational agencies of any State without regard to the origin or cause of such segregation.

(20 U.S.C. 1602) Enacted June 23, 1972, P.L. 92–318, sec. 703 86 Stat. 356.

APPROPRIATIONS

SEC. 704. (a) The Assistant Secretary shall, in accordance with the provisions of this title, carry out a program designed to achieve the purpose set forth in section 702(b). There are authorized to be appropriated for the purpose of carrying out this title, $1,000,000,000 for the fiscal year ending June 30, 1973, and $1,000,000,000 for the period ending June 30, 1976.[1] Funds so appropriated shall remain available for obligation and expenditure during the fiscal year succeeding the fiscal year for which they are appropriated.

From the sums appropriated pursuant to subsection (a) for any fiscal year, the Assistant Secretary shall reserve an amount equal to 13 per centum thereof for the purposes of sections 708 (a) and (c), 711, and 713, of which—

(A) not less than an amount equal to 4 per centum of such sums shall be for the purposes of section 708(c); and

(B) not less than an amount equal to 3 per centum of such sums shall be for the purposes of section 711.

(20 U.S.C. 1603) Enacted June 23, 1972, P.L. 92–318, sec. 704, 86 Stat. 355; amended August 21, 1974, P.L. 93–380, sec. 641(a) 88 Stat. 587; amended August 21, 1974, P.L. 93–380, sec. 642(a), 88 Stat. 587.

---

[1] Section 641(b) of P.L. 93–380 provides as follows:

"(b) With respect to the fiscal year ending June 30, 1976, the authorization level for the Emergency School Aid Act shall, for the purposes of section 414 of the General Education Provisions Act, be equal to the amount appropriated for the purposes of the Emergency School Aid Act for the fiscal year ending June 30, 1976."

APPORTIONMENT AMONG STATES

SEC. 705. (a)(1) From the sums appropriated pursuant to section 704(a) which are not reserved under section 704(b) for any fiscal year, the Assistant Secretary shall apportion to each State for grants and contracts within that State $75,000 plus an amount which bears the same ratio to such sums as to the number of minority group children aged 5–17, inclusive, in that State bears to the number of such children in all States except that the amount apportioned to any State shall not be less than $100,000. The number of such children in each State and in all of the States shall be determined by the Assistant Secretary on the basis of the most recent available data satisfactory to him.

(2) The Assistant Secretary shall, in accordance with criteria established by regulation, reserve not in excess of 15 per centum of the sums appropriated pursuant to subsection 704(a) for grants to, and contracts with, local, educational agencies in each State pursuant to section 706(b) to be apportioned to each State in accordance with paragraph (1) of this subsection.

(3) The Assistant Secretary shall reserve 8 per centum of the sums appropriated pursuant to subsection 704(a) for the purpose of section 708(b) to be apportioned to each State in accordance with paragraph (1) of this subsection.

(b)(1) The amount by which any apportionment to a State for a fiscal year under subsection (a) exceeds the amount which the Assistant Secretary determines will be required for such fiscal year for programs or projects within such State shall be available for reapportionment to other States in proportion to the original apportionments to such States under subsection (a) for that year, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Assistant Secretary estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced. Any amounts reapportioned to a State under this subsection during a fiscal year shall be deemed part of its apportionment under subsection (a) for such year.

(2) In order to afford ample opportunity for all eligible applicants in a State to submit applications for assistance under this title, the Assistant Secretary shall not fix a date for reapportionment, pursuant to this subsection, of any portion of any apportionment to a State for a fiscal year which date is earlier than sixty days prior to the end of such fiscal year.

(3) Notwithstanding the provisions of paragrapph (1) of this subsection, no portion of any apportionment to a State for a fiscal year shall be available for reapportionment pursuant to this subsection unless the Assistant Secretary determines that the applications for assistance under this title which have been filed by eligible applicants in that State for which a portion of such apportionment has not been reserved (but which would necessitate use of that portion) are applications which do not meet the requirements of this title, as set forth

in sections 706, 707, and 710, or which set forth programs or projects of such insufficient promise for achieving the purpose of this title stated in section 702(b) that their approval is not warranted.

(20 U.S.C. 1604) Enacted June 23, 1972, P.L. 92–318, sec. 705, 86 Stat. 355, 356.

ELIGIBILITY FOR ASSISTANCE

SEC. 706. (a)(1) The Assistant Secretary is authorized to make a grant to, or a contract with, a local educational agency—

(A) which is implementing a plan—

(i) which has been undertaken pursuant to a final order issued by a court of the United States, or a court of any State, or any other State agency or official of competent jurisdiction, and which requires the desegregation of minority group segregated children or faculty in the elementary and secondary schools of such agency, or otherwise requires the elimination or reduction of minority group isolation in such schools; or

(ii) which has been approved by the Secretary as adequate under title VI of the Civil Rights Act of 1964 for the desegregation of minority group segregated children or faculty in such schools; or

(B) which, without having been required to do so, has adopted and is implementing, or will, if assistance is made available to it under this title, adopt and implement, a plan for the complete elimination of minority group isolation in all the minority group isolated schools of such agency; or

(C) which has adopted and is implementing, or will, if assistance is made available to it under this Act, adopt and implement, a plan—

(i) to eliminate or reduce minority group isolation in one or more of the minority group isolated schools of such agency,

(ii) to reduce the total number of minority group children who are in minority group isolated schools of such agency, or

(iii) to prevent minority group isolation reasonably likely to occur (in the absence of assistance under this title) in any school in such district in which school at least 20 per centum but not more than 50 per centum, of the enrollment consists of such children, or

(D) which, without having been required to do so, has adopted and is implementing, or will, if assistance is made available to it under this title, adopt and implement a plan to enroll and educate in the schools of such agency children who would not otherwise be eligible for enrollment because of nonresidence in the school district of such agency, where such enrollment would make a significant contribution toward reducing minority group isolation in one or more of the school districts to which such plan relates; or

(E) which will establish or maintain one or more integrated schools as defined in section 720(7) and which—

(i) has a sufficient number of minority group children to comprise more than 50 per centum of the number of children in attendance at the schools of such agency, and

(ii) has agreed to apply for an equal amount of assistance under section (b).

(2)(A) The Assistant Secretary is authorized, in accordance with special eligibility criteria established by regulation for the purposes of this paragraph, to make grants to, and contracts with, local educational agencies for the purposes of section 709(a)(1).

(B) A local educational agency shall be eligible for assistance under this paragraph only if—

(i) such agency is located within, or adjacent to, a Standard Metropolitan Statistical Area:

(ii) the schools of such agency are not attended by minority group children in a significant number or proportion; and

(iii) such local educational agency has made joint arrangements with a local educational agency, located within that Standard Metropolitan Statistical Area, and the schools of which are attended by minority group children in a significant proportion, for the establishment or maintenance of one or more integrated schools as provided in section 720(6).

(b) The Assistant Secretary is authorized to make grants to, or contracts with, local educational agencies, which are eligible under subsection (a)(1), for unusually promising pilot programs or projects designed to overcome the adverse effects of minority group isolation by improving the academic achievement of children in one or more minority group isolated schools, if he determines that the local educational agency had a number of minority group children enrolled in its schools, for the fiscal year preceding the fiscal year for which assistance is to be provided, which (1) is at least 15,000, or (2) consistutes more than 50 per centum of the total number of children enrolled in such schools.

(c) No local educational agency making application under this section shall be eligible to receive a grant or contract in an amount in excess of the amount determined by the Assistant Secretary, in accordance with regulations setting forth criteria established for such purpose, to be the additional cost to the applicant arising out of activities authorized under this title, above that of the activities normally carried out by the local educational agency.

(d)(1) No educational agency shall be eligible for assistance under this title if it has, after the date of enactment of this title—

(A) transferred (directly or indirectly by gift, lease, loan, sale, or other means) real or personal property to, or made any services available to, any transferee which it knew or reasonably should have known to be a nonpublic school or school system (or any organization controlling, or intending to establish, such a school or school system) without prior determination that such nonpublic school or school system (i) is not operated on a racially segregated basis as an alternative for children seeking to avoid attendance in desgregated public schools, and (ii) does not otherwise practice, or permit to be practiced, discrimination on the basis of race, color, or national origin in the operation of any school activity;

(B) had in effect any practice, policy, or procedure which results in the disproportionate demotion or dismissal of instructional or other personnel from minority groups in conjunction with desegregation or the implementation of any plan or the conduct of any activity described in this section, or otherwise engaged in discrimination based upon race, color, or national origin in the hiring, promotion, or assignment of employees of the agency (or other personnel for whom the agency has any administrative responsibility);

(C) in conjunction with desegration or the conduct of an activity described in this section, had in effect any procedure for the assignment of children to or within classes which results in the separation of minority group from nominority group children for a substantial portion of the school day, except that this clause does not prohibit the use of bona fide ability grouping by a local education agency as a standard pedagogical practice; or

(D) had in effect any other practice, policy, or procedure, such as limiting curricular or extracurricular activities (or participation therein by children) in order to avoid the participation of minority group children in such activities, which discriminates among children on the basis of race, color, or national origin;

except that, in the case of any local educational agency which is ineligible for assistance by reason of clause (A), (B), (C), or (D), such agency may make application for a waiver of ineligibility, which application shall specify the reason for its ineligibility, contain such information and assurances as the Secretary shall require by regulation in order to insure that any practice, policy, or procedure, or other activity resulting in the ineligibility has ceased to exit or occur and include such provisions as are necessary to insure that such activities do not reoccur after the submission of the application.

(2) Applications for waivers under paragraph (1) may be approved only by the Secretary. The Secretary's functions under this paragraph shall, notwithstanding any other provision of law, not be delegated.

(3) Applications for waiver shall be granted by the Secretary upon determination that any practice, policy, procedure or other activity resulting in ineligibility has ceased to exist, and that the applicant has given satisfactory assurance that the activities prohibited in this subsection will not reoccur.

(4) No application for assistance under this title shall be approved prior to a determination by the Secretary that the applicant is not ineligible by reason of this subsection.

(5) All determinations pursuant to this subsection shall be carried out in accordance with criteria and investigative procedures established by regulations of the Secretary for the purpose of compliance with this subsection.

(6) All determinations and waivers pursuant to this subsection shall be in writing. The Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House

of Representatives shall each be given notice of an intention to grant any waiver under this subsection, which notice shall be accompanied by a copy of the proposed waiver for which notice is given and copies of all determinations relating to such waiver. The Assistant Secretary shall not approve an application by a local educational agency which requires a waiver under this subsection prior to 15 days after receipt of the notice required by the preceding sentence by the chairman of the Committee on Labor and Public Welfare of the Senate and the chairman of the Committee on Education and Labor of the House of Representatives.

(20 U.S.C. 1605) Enacted June 23, 1972, P.L. 92-318, sec. 706, 86 Stat. 356-358; amended August 21, 1974, P.L. 93-380, secs. 643(a) and (b), 88 Stat. 587.

AUTHORIZED ACTIVITIES

SEC. 707. (a) Financial assistance under this title (except as provided by sections 708, 709, and 711) shall be available for programs and projects which would not otherwise be funded and which involve activities designed to carry out the purpose of this title stated in section 702(b):

(1) Remedial services, beyond those provided under the regular school program conducted by the local educational agency, including student to student tutoring, to meet the special needs of children (including gifted and talented children) in schools which are affected by a plan or activity described in section 706 or a program described in section 708, when such services are deemed necessary to the success of such plan, activity, or program.

(2) The provision of additional professional or other staff members (including staff members specially trained in problems incident to desegregation or the elimination, reduction, or prevention of minority group isolation) and the training and retraining of staff for such schools.

(3) Recruiting, hiring, and training of teacher aides, provided that in recruiting teacher aides, preference shall be given to parents of children attending schools assisted under this title.

(4) Inservice teacher training designed to enhance the success of schools assisted under this title through contracts with institutions of higher education, or other institutions, agencies, and organizations individually determined by the Assistant Secretary to have special competence for such purpose.

(5) Comprehensive guidance, counseling, and other personal services for such children.

(6) The development and use of new curricula and instructional methods, practices, and techniques (and the acquisition of instructional materials relating thereto) to support a program of instruction for children from all racial, ethnic, and economic backgrounds, including instruction in the language and cultural heritage of minority groups.

(7) Educational programs using shared facilities for career education and other specialized activities.

(8) Innovative interracial educational programs or projects involving the joint participation of minority group children and other children attending different schools, including extracurric-

ular activities and cooperative exchanges or other arrangements between schools within the same or different school districts.

(9) Community activities, including public information efforts, in support of a plan, program, project, or activity described in this title.

(10) Administrative and auxiliary services to facilitate the success of the program, project, or activity.

(11) Planning programs, projects, or activities under this title, the evaluation of such programs, projects, or activities, and dissemination of information with respect to such programs, projects, or activities.

(12) Repair or minor remodeling or alteration of existing school facilities (including the acquisition, installation, modernization, or replacement of instructional equipment) and the lease or purchase of mobile classroom units or other mobile education facilities.

In the case of programs, projects, or activities involving activities described in pargraph (12), the inclusion of such activities must be found to be a necessary component of, or necessary to facilitate, a program or project involving other activities described in this subsection or subsection (b), and in no case involve an expenditure in excess of 10 per centum of the amount made available to the applicant to carry out the program, project, or activity. The Assistant Secretary shall by regulation define the term "repair or minor remodeling or alteration".

(b) Sums reserved under section 705(a)(2) with respect to any State shall be available for grants to, and contracts with, local educational agencies in that State making application for assistance under section 706(b) to carry out innovative pilot programs and projects which are specifically designed to assist in overcoming the adverse effects of minority group isolation, by improving the educational achievement of children in minority group isolated schools, including only the activities described in paragraphs (1) through (12) of subsection (a), as they may be used to accomplish such purpose.

(20 U.S.C. 1606) Enacted June 23, 1972, P.L. 92-318, sec. 707, 86 Stat. 359, 360.

SPECIAL PROGRAMS AND PROJECTS

SEC. 708. (a)(1) Amounts reserved by the Assistant Secretary pursuant to section 704(b)(2), which are not designated for the purposes of clause (A) or (B) thereof, or for section 713 shall be available to him for grants and contracts under this subsection.

(2) The Assistant Secretary is authorized to make grants to, and contracts with, State and local educational agencies, and other public agencies and organizations (or a combination of such agencies and organizations) for the purpose of conducting special programs and projects carrying out activities otherwise authorized by this title, which the Assistant Secretary determines will make substantial progress toward achieving the purposes of this title.

(3) The Assistant Secretary is authorized to make grants to, and contracts with, one or more private, nonprofit agencies, institutions, or organizations, for the conduct, in cooperation with one or more local

educational agencies, of special programs for the teaching of standard mathematics to children eligible for services under this Act through instruction in advanced mathematics by qualified instructors with bachelor degrees in mathematics, or the mathematical sciences from colleges or other institutions of higher education, or equivalent experience.

(b) (1) From not more than one-half of the sums reserved pursuant to section 705(a)(3), the Assistant Secretary, in cases in which he finds that it would effectively carry out the purpose of this title stated in section 702(b), may assist by grant or contract any public or private nonprofit agency, institution, or organization (other than a local educational agency) to carry out programs or projects designed to support the development or implementation of a plan, program, or activity described in section 706.

(2) From the remainder of the sums reserved pursuant to section 705(a)(3), the Assistant Secretary is authorized to make grants to, and contracts with, public and private nonprofit agencies, institutions, and organizations (other than local educational agencies and nonpublic elementary and secondary schools) to carry out programs or projects designed to support the development or implementation of a plan, program, or activity described in section 706.

(c) (1) The Assistant Secretary shall carry out a program to meet the needs of minority group children who are from an environment in which a dominant language is other than English and who, because of language barriers and cultural differences, do not have equality of educational opportunity. From the amount reserved pursuant to section 704(b)(2)(A), the Assistant Secretary is authorized to make grants to, and contracts with—

(A) private nonprofit agencies, institutions, and organizations to develop curricula, at the request of one or more educational agencies which are eligible for assistance under section 706, designed to meet the special educational needs of minority group children who are from environments in which a dominant language is other than English, for the development of reading, writing, and speaking skills, in the English language and in the language of their parents or grandparents, and to meet the educational needs of such children and their classmates to understand the history and cultural background of the minority groups of which such children are members;

(B) local educational agencies eligible for assistance under section 706 for the purpose of engaging in such activities; or

(C) local educational agencies which are eligible to receive assistance under section 706, for the purpose of carrying out activities authorized under section 707(a) of this title to implement curricula developed under clauses (A) and (B) or curricula otherwise developed which the Assistant Secretary determines meets the purposes stated in clause (A).

In making grants and contracts under this paragraph, the Assistant Secretary shall assure that sufficient funds from the amount reserved pursuant to section 704(b)(2)(A) remain available to provide for grants and contracts under clause (C) of this paragraph for implementation of such curricula as the Assistant Secretary determines meet the purposes stated in clause (A) of this paragraph. In making a grant or contract under clause (C) of this paragraph, the Assistant Secretary shall take whatever action is necessary to assure that the implementation plan includes provisions adequate to insure training of teachers and other ancillary educational personnel.

(2)(A) In order to be eligible for a grant or contract under this subsection—

(i) a local educational agency must establish a program or project committee meeting the requirements of subparagraph (B), which will fully participate in the preparation of the application under this subsection and in the implementation of the program or project and join in submitting such application; and

(ii) a private nonprofit agency, institution, or organization must (I) establish a program or project board of not less than ten members which meets the requirements of subparagraph (B) and which shall exercise policymaking authority with respect to the program or project and (II) have demonstrated to the Assistant Secretary that it has the capacity to obtain the services of adequately trained and qualified staff.

(B) A program or project committee or board, established pursuant to subparagraph (A) must be broadly representative of parents, school officials, teachers, and interested members of the community or communities to be served, not less than half of the members of which shall be parents and not less than half of the members of which shall be members of the minority group the educational needs of which the program or project is intended to meet.

(3) All programs or projects assisted under this subsection shall be specifically designed to complement any programs or projects carried out by the local educational agency under section 706. The Assistant Secretary shall insure that programs of Federal financial assistance related to the purposes of this subsection are coordinated and carried out in a manner consistent with the provisions of this subsection, to the extent consistent with other law.

(20 U.S.C. 1607) Enacted June 23, 1972, P.L. 92–318, sec. 708, 86 Stat. 360, 361, amended August 21, 1974, P.L. 93–380, sec. 644, 88 Stat. 588.

METROPOLITAN AREA PROJECTS

SEC. 709. (a) Sums available to the Secretary under section 708 for metropolitan area projects shall be available for the following purposes:

(1) A program of grants to, and contracts with, local educational agencies which are eligible under section 706(a)(2) in order to assist them in establishing and maintaining integrated schools as defined in section 720(6).

(2) A program of any grant to groups of local educational agencies located in a Standard Metropolitan Statistical Area for the joint development of a plan to reduce and eliminate minority group isolation, to the maximum extent possible, in the public elementary and secondary schools in the Standard Metropolitan Statistical Area, which shall, as a minimum, provide that by a date certain, but in no event later than July 1, 1983, the percentage of minority group children enrolled in each school in the

Standard Metropolitan Statistical Area shall be at least 50 per centum of the percentage of minority group children enrolled in all the schools in the Standard Metropolitan Statistical Area. No grant may be made under this paragraph unless—

(A) two-thirds or more of the local educational agencies in the Standard Metropolitan Statistical Area have approved the application, and

(B) the number of students in the schools of the local educational agencies which have approved the application constitutes two-thirds or more of the number of students in the schools of all the local educational agencies in the Standard Metropolitan Statistical Area.

(b) In making grants and contracts under this section, the Assistant Secretary shall insure that at least one grant shall be for the purposes of paragraph (2) of subsection (a).

(20 U.S.C. 1608) Enacted June 23, 1972, P.L. 92-318, sec. 709, 86 Stat. 361, 362; amended August 21, 1974, P.L. 93-370, sec. 642(b), 88 Stat. 587; amended August 21, 1974, P.L. 93-380, sec. 222, 88 Stat. 519.

APPLICATIONS

Sec. 710. (a) Any local educational agency desiring to receive assistance under this title for any fiscal year shall submit to the Assistant Secretary an application therefor for that fiscal year at such time, in such form, and containing such information as the Assistant Secretary shall require by regulation. Such application, together with all correspondence and other written materials relating thereto, shall be made readily available to the public by the applicant and by the Assistant Secretary. The Assistant Secretary may approve such an application only if he determines that such application—

(1) in the case of applications under section 706, sets forth a program under which, and such policies and procedures as will assure that, (A) the applicant will use the funds received under this title only for the activities set forth in section 707 and (B) in the case of an application under section 706(b), the applicant will initiate or expand an innovative program specifically designed to meet the educational needs of children attending one or more minority group isolated schools;

(2) has been developed—

(A) in open consultation with parents, teachers, and, where applicable, secondary school students, including public hearings at which such persons have had a full opportunity to understand the program for which assistance is being sought and to offer recommendations thereon, and

(B) except in the case of applications under section 708(c), with the participation of a committee composed of parents of children participating in the program for which assistance is sought, teachers, and, where applicable, secondary school students, of which at least half the members shall be such parents, and at least half shall be persons from minority groups;

(3) sets forth such policies and procedures as will insure that the program for which assistance is sought will be operated in con-

sultation with, and with the involvement of, parents of the children and representatives of the area to be served, including the committee established for the purposes of clause (2)(B);

(4) sets forth such policies and procedures, and contains such information, as will insure that funds paid to the applicant under the application will be used solely to pay the additional cost to the applicant in carrying out the plan, program, and activity described in the application;

(5) contains such assurances and other information as will insure that the program for which assistance is sought will be administered by the applicant, and that any funds received by the applicant, and any property derived therefrom, will remain under the administration and control of the applicant;

(6) sets forth assurances that the applicant is not reasonably able to provide, out of non-Federal sources, the assistance for which the application is made;

(7) provides that the plan with respect to which such agency is seeking assistance (as specified in section 706(a)(1)(A) does not involve freedom of choice as a means of desegregation, unless the Assistant Secretary determines that freedom of choice has achieved, or will achieve, the complete elimination of a dual school system in the school district of such agency;

(8) provides assurances that for each academic year for which assistance is made available to the applicant under this title such agency has taken or is in the process of taking all practicable steps to avail itself of all assistance for which it is eligible under any program administered by the Commissioner;

(9) provides assurances that such agency will carry out, and comply with, all provisions, terms, and conditions of any plan, program, or activity as described in section 706 or section 708(c) upon which a determination of its eligibility for assistance under this title is based;

(10) sets forth such policies and procedures, and contains such information, as will insure that funds made available to the applicant (A) under this title will be so used (i) as to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such funds, be made available from non-Federal sources for the purposes of the program for which assistance is sought, and for promoting the integration of the schools of the applicant, and for the education of children participating in such program, and (ii) in no case, as to supplant such funds from non-Federal sources, and (B) under any other law of the United States will, in accordance with standards established by regulation, be used in coordination with such programs to the extent consistent with such other law;

(11) in the case of an application for assistance under section 706, provides that the program, project, or activity to be assisted will involve an additional expenditure per pupil to be served, determined in accordance with regulations prescribed by the Assistant Secretary, of sufficient magnitude to provide reasonable assurance that the desired funds under this title will not be dispersed in such a way as to undermine their effectiveness;

(12) provides that (A) to the extent consistent with the number of minority group children in the area to be served who are enrolled in private nonprofit elementary and secondary schools which are operated in a manner free from discrimination on the basis of race, color, or national origin, and which do not serve as alternatives for children seeking to avoid attendance in desegregated or integrated public schools, whose participation would assist in achieving the purpose of this title stated in section 702(b) provides assurance that such agency (after consultation with the appropriate private school officials) has made provision for their participation on an equitable basis, and (B) to the extent consistent with the number of children, teachers, and other educational staff in the school district of such agency enrolled or employed in private nonprofit elementary and secondary schools whose participation would assist in achieving the purpose of this title stated in section 702(b) or, in the case of an application under section 708(c), would assist in meeting the needs described in that subsection, such agency (after consultation with the appropriate private school officials) has made provisions for their participation on an equitable basis;

(13) provides that the applicant has not reduced its fiscal effort for the provision of free public education for children in attendance of the schools of such agency for the fiscal year for which assistance is sought under this title to less than that of the second preceding fiscal year, and that the current expenditure per pupil which such agency makes from revenues derived from its local sources for the fiscal year for which assistance under this title will be made available to such agency is not less than such expenditure per pupil which such agency made from such revenues for (A) the fiscal year preceding the fiscal year during which the implementation of a plan described in section 706(a)(1)(A) was commenced, or (B) the third fiscal year preceding the fiscal year for which such assistance will be made available under this title, whichever is later;

(14) provides that the appropriate State educational agency has been given reasonable opportunity to offer recommendations to the applicant and to submit comments to the Assistant Secretary;

(15) sets forth effective procedures, including provisions for objective measurement of change in educational achievement and other change to be effected by programs conducted under this title, for the continuing evaluation of programs, projects, or activities under this title, including their effectiveness in achieving clearly stated program goals, their impact on related programs and upon the community served, and their structure and mechanisms for the delivery of services, and including, where appropriate, comparisons with proper control groups composed of persons who have not participated in such programs or projects; and

(16) provides (A) that the applicant will make periodic reports at such time, in such form, and containing such information as the Assistant Secretary may require by regulation, which regulation may require at least—

(i) in the case of reports relating to performance, that the reports be consistent with specific criteria related to the program objectives, and

(ii) that the reports include information relating to educational achievement of children in the schools of the applicant, and (B) that the applicant will keep such records and afford such access thereto as—

(i) will be necessary to assure the correctness of such reports and to verify them, and

(ii) will be necessary to assure the public adequate access to such reports and other written materials.

(b) No application under this section may be approved which is not accompanied by the written comments of a committee established pursuant to clause (2)(B) of subsection (a). The Assistant Secretary shall not approve an application without first affording the committee an opportunity for an informal hearing if the committee requests such a hearing.

(c) In approving applications submitted under this title (except for those submitted under sections 708 (b) and (c) and 711), the Assistant Secretary shall apply only the following criteria:

(1) the need for assistance, taking into account such factors as—

(A) the extent of minority group isolation (including the number of minority group isolated children and the relative concentration of such chlidren) in the school district to be served as compared to other school districts in the State,

(B) the financial need of such school district as compared to other school districts in the State,

(C) the expense and difficulty of effectively carrying out a plan or activity described in section 706 or a program described in section 708(a) in such school district as compared to other school districts in the State, and

(D) the degree to which measurable deficiencies in the quality of public education afforded in such school district exceeded those of other school districts within the State;

(2) the degree to which the plan or activity described in section 706(a), and the program or project to be assisted, or the program described in section 708(a) are likely to effect a decrease in minority group isolation in minority group isolated schools, or in the the case of applications submitted under section 706 (a)(1)(C)(iii) or under section 706(a)(1)(E) the degree to which the plan or activity and the program or project, are likely to prevent minority group isolation from occurring or increasing (in the absence of assistance under this title);

(3) the extent to which the plan or activity described in section 706 constitutes a comprehensive districtwide approach to the elimination of minority groups isolation, to the maximum extent practicable, in the schools of such school district;

(4) the degree to which the program, project, or activity to be assisted affords promise of achieving the purpose of this title stated in section 702(b);

(5) that (except in the case of an application submitted under section 708(a)) the amount necessary to carry out effectively the

project or activity does not exceed the amount available for assistance in the State under this title in relation to the other applications from the State pending before him; and

(6) the degree to which the plan or activity described in section 706 involves to the fullest extent practicable the total educational resources, both public and private, of the community to be served.

(d)(1) The Assistant Secretary shall not give less favorable consideration to the application of a local educational agency (including an agency currently classified as legally desegregated by the Secretary) which has voluntarily adopted a plan qualified for assistance under this title (due only to the voluntary nature of the action) than to the application of a local educational agency which has been legally required to adopt such a plan.

(2) The Assistant Secretary shall not finally disapprove in whole or in part any application for funds submitted by a local educational agency without first notifying the local educational agency of the specific reasons for his disapproval and without affording the agency an appropriate opportunity to modify its application.

(e) The Assistant Secretary may, from time to time, set dates by which applications shall be filed.

(f) In the case of an application by a combination of local educational agencies for jointly carrying out a program or project under this title, at least one such agency shall be a local educational agency described in section 706(a) or section 708 (a) or (c) and any one or more of such agencies joining in such application may be authorized to administer such program or project.

(g) No State shall reduce the amount of State aid with respect to the provision of free public education in any school district of any local educational agency within such State because of assistance made or to be made available to such agency under this title.

(20 U.S.C. 1609) Enacted June 23, 1972, P.L. 92–318, sec. 710, 86 Stat. 362–366; amended August 21, 1974, P.L. 93–380, sec 643(c), 88 Stat. 587.

EDUCATIONAL TELEVISION

SEC. 711. (a) The sums reserved pursuant to section 704(b)(2)(B) for the purpose of carrying out this section shall be available for grants and contracts in accordance with subsection (b).

(b)(1) The Assistant Secretary shall carry out a program of making grants to, or contracts with, not more than ten public or private nonprofit agencies, institutions, or organizations with the capability of providing expertise in the development of television programing, in sufficient number to assure diversity, to pay the cost of development and production of integrated children's television programs of cognitive and effective educational value.

(2) Television programs developed in whole or in part with assistance provided under this title shall be made reasonably available for transmission, free of charge, and shall not be transmitted under commercial sponsorship.

(3) The Assistant Secretary may approve an application under this section only if he determines that the applicant—

(A) will employ members of minority groups in responsible positions in development, production, and administrative staffs;

(B) will use modern television techniques of research and production; and

(C) has adopted effective procedures for evaluating education and other change achieved by children viewing the program.

(20 U.S.C. 1610) Enacted June 23, 1972, P.L. 92-318, sec. 711, 86 Stat. 366.

PAYMENTS

SEC. 712. (a) Upon his approval of an application for assistance under this title, the Assistant Secretary shall reserve from the applicable apportionment (including any applicable reapportionment) available therefor the amount fixed for such application.

(b) The Assistant Secretary shall pay to the applicant such reserved amount, in advance or by way of reimbursement, and in such installments consistent with established practice, as he may determine.

(c)(1) If a local educational agency in a State is prohibited by law from providing for the participation of children and staff enrolled or employed in private nonprofit elementary and secondary schools as required by paragraph (12) of section 710(a), the Assistant Secretary may waive such requirement with respect to local educational agencies in such State and, upon the approval of an application from a local educational agency within such State, shall arrange for the provision of services to such children enrolled in, or teachers or other educational staff of, any nonprofit private elementary or secondary school located within the school district of such agency if the participation of such children and staff would assist in achieving the purpose of this title stated in section 702(b) or in the case of an application under section 708(c) would assist in meeting the needs described in that subsection. The services to be provided through arrangements made by the Assistant Secretary under this paragraph shall be comparable to the services to be provided by such local educational agency under such application. The Assistant Secretary shall pay the cost of such arrangements from such State's allotment or, in the case of an application under section 708(c), from the funds reserved under section 704(b)(2)(A), or in case of an application under section 708(a), from the sums available to the Assistant Secretary under section 704(b)(2) for the purpose of that subsection.

(2) In determining the amount to be paid pursuant to paragraph (1), the Assistant Secretary shall take into account the number of children and teachers and other educational staff who, except for provisions of State law, might reasonably be expected to participate in the program carried out under this title by such local educational agency.

(3) If the Assistant Secretary determines that a local educational agency has substantially failed to provide for the participation on an equitable basis of children and staff enrolled or employed in private nonprofit elementary and secondary schools as required by paragraph (12) of section 710(a) he shall arrange for the provision of services to children enrolled in, or teachers or other educational staff of, the nonprofit private elementary or secondary school or schools located within the school district of such local educational agency, which services shall, to the maximum extent feasible, be identical with the serv-

ices which would have been provided such children or staff had the local educational agency carried out such assurance. The Assistant Secretary shall pay the cost of such services from the grant to such local educational agency and shall have the authority for this purpose of recovering from such agency any funds paid to it under such grant.

(d) After making a grant or contract under this title, the Assistant Secretary shall notify the appropriate State educational agency of the name of the approved applicant and of the amount approved.

(20 U.S.C. 1611) Enacted June 23, 1972, P.L. 92-318, sec. 712, 86 Stat. 366, 367.

EVALUATIONS

Sec. 713. The Assistant Secretary is authorized to reserve not in excess of 1 per centum of the sums appropriated under this title, and reserved pursuant to section 704(b)(2), for any fiscal year for the purposes of this section. From such reservation, the Assistant Secretary is authorized to make grants to, and contracts with, State educational agencies, institutions of higher education and private organizations, institutions, and agencies, including committees established pursuant to section 710(a)(2) for the purpose of evaluating specific programs and projects assisted under this title.

(20 U.S.C. 1612) Enacted June 23, 1972, P.L. 92-318, sec. 713, 86 Stat. 367.

REPORTS

Sec. 714. The Assistant Secretary shall make periodic detailed reports concerning his activities in connection with the program authorized by this title and the program carried out with appropriations under the paragraph headed "Emergency School Assistance" in the Office of Education Appropriations Act, 1971 (Public Law 91-380), and the effectiveness of programs and projects assisted under this title in achieving the purpose of this title stated in section 702(b). Such reports shall contain such information as may be necessary to permit adequate evaluation of the program authorized by this title, and shall include application forms, regulations, program guides, and guidelines used in the administration of the program. The report shall be submitted to the President and to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives. The first report submitted pursuant to this section shall be submitted no later than ninety days after the enactment of this title. Subsequently reports shall be submitted no less often than two times annually.

(20 U.S.C. 1613) Enacted June 23, 1972, P.L. 92-318, sec. 714, 86 Stat. 368.

JOINT FUNDING

Sec. 715. Pursuant to regulations prescribed by the President, where funds are advanced under this title, and by one or more other Federal agencies for any project or activity funded in whole or in part under this title, any one of such Federal agencies may be designated to act for all in administering the funds advanced. In such cases, any such agency may waive any technical grant or contract requirement (as defined by regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose. Nothing in this section shall be construed to authorize (1) the use of any funds appropriated under this title for any purpose not authorized herein, (2) a variance of any reservation or apportionment under section 704 or 705, or (3) waiver of any requirement set forth in sections 706 through 711.

(20 U.S.C. 1614) Enacted June 23, 1972, P.L. 92-318, sec. 715, 86 Stat. 368.

NATIONAL ADVISORY COUNCIL

SEC. 716. (a) There is hereby established a National Advisory Council on Equality of Educational Opportunity, consisting of fifteen members, at least one-half of whom shall be representative of minority groups, appointed by the President, which shall—

(1) advise the Assistant Secretary with respect to the operation of the program authorized by this title, including the preparation of regulations and the development of criteria for the approval of applications;

(2) review the operation of the program (A) with respect to its effectiveness in achieving its purpose as stated in section 702(b), and (B) with respect to the Assistant Secretary's conduct in the administration of the program;

(3) meet not less than four times in the period during which the program is authorized, and submit through the Secretary, to the Congress at least two interim reports, which reports shall include a statement of its activities and of any recommendations it may have with respect to the operation of the program; and

(4) not later than December 1, 1973, submit to the Congress a final report on the operation of the program.

(b) The Assistant Secretary shall submit an estimate in the same manner provided under section 400(c) and part D of the General Education Provisions Act to the Congress for the appropriations necessary for the Council created by subsection (a) to carry out its functions. Subject to section 448(b) of the General Education Provisions Act, such Council shall continue to exist until July 1, 1975.

(20 U.S.C. 1615) Enacted June 23, 1972, P.L. 92-318, sec. 716, 86 Stat. 368, amended August 21, 1974, P.L. 93-380, sec. 845(e), 88 Stat. 612.

GENERAL PROVISIONS

SEC. 717. (a) The provisions of parts C and D of the General Education Provisions Act shall apply to the program of Federal assistance authorized under this title as if such program were an applicable program under such General Education Provisions Act, and the Assistant Secretary shall have the authority vested in the Commissioner of Education by such parts with respect to such program.

(b) Section 422 of such General Education Provisions Act is amended by inserting "the Emergency School Aid Act;" after "the International Education Act of 1966;".

(20 U.S.C. 1616) Enacted June 23, 1972, P.L. 92-318, sec. 717, 86 Stat. 369.

ATTORNEY FEES

SEC. 718. Upon the entry of a final order by a court of the United States against a local educational agency, a State (or any agency thereof), or the United States (or any agency thereof), for failure to comply with any provision of this title or for discrimination on the basis of race, color, or national origin in violation of title VI of the Civil Rights Act of 1964, or the fourteenth amendment to the Constitution of the United States as they pertain to elementary and secondary education, the court, in its discretion, upon a finding that the proceedings were necessary to bring about compliance, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs.

(20 U.S.C. 1617) Enacted June 23, 1972, P.L. 92–318, sec. 717, 86 Stat. 369.

NEIGHBORHOOD SCHOOLS

SEC. 719. Nothing in this title shall be construed as requiring any local educational agency which assigns students to schools on the basis of geographic attendance areas drawn on a racially nondiscriminatory basis to adopt any other method of student assignment.

(20 U.S.C. 1618) Enacted June 23, 1972, P.L. 92–318, sec. 719, 86 Stat. 369.

DEFINITIONS

SEC. 720. Except as otherwise specified, the following definitions shall apply to the terms used in this title:

(1) The term "Assistant Secretary" means the Assistant Secretary of Health, Education, and Welfare for Education.

(2) The term "current expenditure per pupil" for a local educational agency means (1) the expenditures for free public education, including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but not including expenditures for community services, capital outlay and debt service, or any expenditure made from funds granted under such Federal program of assistance as the Secretary may prescribe, divided by (2) the number of children in average daily attendance to whom such agency provided free public education during the year for which the computation is made.

(3) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(4) The term "equipment" includes machinery, utilities and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the provision of educational services, such as instructional equipment and necessary furniture, printed, published, and audiovisual instructional materials, and other related material.

(5) The term "institution of higher education" means an educational institution in any State which—

(A) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(B) is legally authorized within such State to provide a program of education beyond high school;

(C) provides an educational program for which it awards a bachelor's degree; or provides not less than a two-year program which is acceptable for full credit toward such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

(D) is a public or other nonprofit institution; and

(E) is accredited by a nationally recognized accrediting agency or association listed by the Commissioner for the purposes of this paragraph.

(6) For the purpose of section 706(a)(2) and section 709(a)(1), the term "integrated school" means a school with an enrollment in which a substantial proportion of the children is from educationally advantaged backgrounds, in which the proportion of minority group children is at least 50 per centum of the proportion of minority group children enrolled in all schools of the local educational agencies within the Standard Metropolitan Statistical Area, and which has a faculty and administrative staff with substantial representation of minority group persons.

(7) For the purpose of section 706(a)(1)(E), the term "integrated school" means a school with (i) an enrollment in which a substantial proportion of the children is from educationally advantaged backgrounds, and in which the Assistant Secretary determines that the number of nonminority group children constitutes that proportion of the enrollment which will achieve stability, in no event more than 65 per centum thereof, and (ii) a faculty which is representative of the minority group and nonminority group population of the larger community in which it is located, or, wherever the Assistant Secretary determines that the local educational agency concerned is attempting to increase the proportions of minority group teachers, supervisors, and administrators in its employ, a faculty which is representative of the minority group and nonminority group faculty employed by the local educational agency.

(8) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or a federally recognized Indian reser-

vation, or such combination of school districts, or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools, or a combination of local educational agencies; and includes any other public institution or agency having administrative control and direction of a public elementary or secondary school and where responsibility for the control and direction of the activities in such schools which are to be assisted under this title is vested in an agency subordinate to such a board or other authority, the Assistant Secretary may consider such subordinate agency as a local educational agency for purpose of this title.

(9)(A) The term "minority group" refers to (i) persons who are Negro, American Indian, Spanish-surnamed American, Portuguese, Oriental, Alaskan natives, and Hawaiian natives and (ii) (except for the purposes of section 705), as determined by the Assistant Secretary, persons who are from environments in which a dominant language is other than English and who, as a result of language barriers and cultural differences, do not have an equal educational opportunity, and (B) the term "Spanish-surnamed American" includes persons of Mexican, Puerto Rican, Cuban, or Spanish origin or ancestry.

(10) The terms "minority group isolated school" and "minority group isolation" in reference to a school mean a school and condition, respectively, in which minority group children constitute more than 50 per centum of the enrollment of a school.

(11) The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(12) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(13) The term "Standard Metropolitan Statistical Area" means the area in and around a city of fifty thousand inhabitants or more as defined by the Office of Management and Budget.

(14) The term "State" means one of the fifty States or the District of Columbia, and for purposes of section 708(a), Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be deemed to be States.

(15) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law for this purpose.

(20 U.S.C. 1619) Enacted June 23, 1972, P.L. 92-318, sec. 720, 86 Stat. 369-371; amended August 21, 1974, P.L. 93-380, sec. 643(d), 88 Stat. 587.

EDUCATION AMENDMENTS OF 1974

(P.L. 93–380)

* * * * * * *

TITLE VIII—MISCELLANEOUS PROVISIONS[1]

PART A—POLICY STATEMENTS AND WHITE HOUSE CONFERENCE ON EDUCATION

NATIONAL POLICY WITH RESPECT TO EQUAL EDUCATIONAL OPPORTUNITY

SEC. 801. Recognizing that the Nation's economic, political, and social security require a well-educated citizenry, the Congress (1) reaffirms, as a matter of high priority, the Nation's goal of equal educational opportunity, and (2) declares it to be the policy of the United States of America that every citizen is entitled to an education to meet his or her full potential without financial barriers.

(20 U.S.C. 1221-1) Enacted August 21, 1974, P.L. 93–380, sec. 801, 88 Stat. 547.

POLICY WITH RESEPECT TO ADVANCE FUNDING OF EDUCATION PROGRAMS

SEC. 802. The Congress declares it to be the policy of the United States to implement immediately and continually section 411 of the General Education Provisions Act, relating to advance funding for education programs, so as to afford responsible State, local, and Federal officers adequate notice of available Federal financial assistance for education authorized under this and other Acts of Congress.

(20 U.S.C. 1223) Enacted August 21, 1974, P.L. 93–380, sec. 802, 88 Stat. 597.

POLICY OF THE UNITED STATES WITH RESPECT TO MUSEUMS AS EDUCATIONAL INSTITUTIONS

SEC. 803. The Congress, recognizing—

(1) that museums serve as sources for schools in providing education for children,

(2) that museums provide educational services of various kinds for educational agencies and institutions and institutions of higher education, and

(3) that the expense of the educational services provided by museums is seldom borne by the educational agencies and institutions taking advantage of the museums' resources,

declares that it is the sense of the Congress that museums be considered educational institutions and that the cost of their educational services be more frequently borne by educational agencies and institutions benefiting from those services.

(20 U.S.C. 1221-2) Enacted August 21, 1974, P.L. 93–380, sec. 803, 88 Stat. 597.

---

[1] Title VIII of P.L. 93–380.

WHITE HOUSE CONFERENCE ON EDUCATION

SEC. 804. (a) The President is authorized to call and conduct a White House Conference on Education in 1977 (hereafter in this section referred to as the "Conference") in order to stimulate a national assessment of the condition, needs, and goals of education and to obtain from a group of citizens broadly representative of all aspects of education, both public and nonpublic, a report of findings and recommendations with respect to such assessment.

(b)(1) In carrying out the provisions of this section, participants in conferences and other activities at local, State, and Federal levels are authorized to consider all matters relevant to the purposes of the Conference set forth in subsection (a), but shall give special consideration to the following:

(A) The implementation of the policy set forth in section 801.

(B) The means by which educational systems are financed.

(C) Preschool education (including child care and nutrition programs), with special attention to the needs of disadvantaged children.

(D) The adequacy of primary education in providing all children with the fundamental skills of communication (reading, writing, spelling, and other elements of effective oral and written expression) and mathematics.

(E) The effectiveness of secondary education in preparing students for careers, as well as for postsecondary education.

(F) The place of occupational education (including education in proprietary schools) in the educational structure and the role of vocational and technical education in assuring that the Nation's requirements for skilled manpower are met.

(G) The structure and needs of postsecondary education, including methods of providing adequate levels of student assistance and institutional support.

(H) The adequacy of education at all levels in meeting the special educational needs of such individuals as handicapped persons, economically disadvantaged, racially or culturally isolated children, those who need bilingual instruction, and gifted and talented children.

(I) Ways of developing and implementing expanded educational opportunities for adults at the basic and secondary education equivalency levels.

(J) The contribution of nonpublic primary and secondary education in providing alternate educational experiences for pupils and a variety of options for parents in guiding their children's development.

(2) Participants in conference activities at the State and local levels are authorized to narrow the scope of their deliberations to the educational problems which they consider to be most critical in their respective areas, but shall be encouraged by the National Conference Committee (established pursuant to subsection (c)) to consider such problems in the context of the total educational structure.

(c)(1) There is established a National Conference Committee (hereafter in this section referred to as the "Committee"), composed of not more than thirty-five members, fifteen of whom shall be appointed by the President, ten of whom shall be appointed by the President pro tempore of the Senate, and ten of whom shall be appointed by the Speaker of the House of Representatives. The Committee shall at its first meeting select a Chairman and a Vice Chairman.

(2)(A) The Committee shall provide guidance and planning for the Conference and shall make a final report (and such interim reports as may be desirable) of the results, findings, and recommendations of the Conference to the President and to the Congress not later than December 1, 1977.

(B) The Committee is authorized to provide such assistance as may be necessary for State and local conference activities in preparation for the National Conference.

(3) The Commissioner shall support the activities of the Committee by providing technical assistance, advice, and consultation.

(4) Members of the Committee shall serve without compensation, but may receive travel expenses (including per diem in lieu of subsistence) as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently, while employed in the business of the Committee away from their homes or regular places of business.

(5) The Committee is authorized to appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, a Conference Director and such professional, technical, and clerical personnel as may be necessary to assist in carrying out its functions under this section.

(d)(1) From the sums appropriated pursuant to subsection (e) the Commissioner is authorized to make a grant to each State, upon application of the Governor thereof, in order to assist in meeting the costs of that State's participation in the Conference program (including the conduct of conferences at the State and local levels).

(2) Grants made pursuant to paragraph (1) shall be made only with the approval of the Chairman of the Committee.

(3) Funds appropriated for the purposes of this subsection shall be apportioned among the States by the Commissioner in accordance with their respective needs for assistance under this subsection, except that no State shall be apportioned more than $75,000 nor less than $25,000.

(e) There are authorized to be appropriated, without fiscal year limitations, such sums as may be necessary to carry out the purposes of this section; and sums so appropriated shall remain available for expenditure until June 30, 1978.

(f) For the purposes of this section, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(20 U.S.C. 1221-1 note) Enacted August 21, 1974, P.L. 93-380, sec. 804, 88 Stat. 597, 599.

PART B—EDUCATIONAL STUDIES AND SURVEYS

STUDY OF PURPOSES AND EFFECTIVENESS OF COMPENSATORY EDUCATION PROGRAMS

SEC. 821. (a) In addition to the other authorities, responsibilities and duties conferred upon the National Institute of Education (hereinafter referred to as the "Institute") by section 405 of the General Education Provisions Act and notwithstanding the second sentence of subsection (b)(1) of such section 405, the Institute shall undertake a thorough evaluation and study of compensatory education programs, including such programs conducted by States and such programs conducted under title I of the Elementary and Secondary Education Act of 1965. Such study shall include—

(1) an examination of the fundamental purposes of such programs, and the effectiveness of such program in attaining such purposes;

(2) an analysis of means to identify accurately the children who have the greatest need for such programs, in keeping with the fundamental purposes thereof;

(3) an analysis of the effectiveness of methods and procedures for meeting the educational needs of children, including the use of individualized written educational plans for children, and programs for training the teachers of children;

(4) an exploration of alternative methods, including the use of procedures to assess educational disadvantage, for distributing funds under such programs to States, to State educational agencies, and to local educational agencies in an equitable and efficient manner, which will accurately reflect current conditions and insure that such funds reach the areas of greatest current need and are effectively used for such areas;

(5) not more than 20 experimental programs, which shall be reasonably geographically representative, to be administered by the Institute, in cases where the Institute determines that such experimental programs are necessary to carry out the purposes of clauses (1) through (4), and the Commissioner of Education is authorized, notwithstanding any provision of title I of the Elementary and Secondary Education Act of 1965, at the request of the Institute, to approve the use of grants which educational agencies are eligible to receive under such title I (in cases where the agency eligible for such grant agrees to such use) in order to carry out such experimental programs; and

(6) findings and recommendations, including recommendations for changes in such title I or for new legislation, with respect to the matters studied under clauses (1) through (5).

(b) The National Advisory Council on the Education of Disadvantaged Children shall advise the Institute with respect to the design and execution of such study. The Commissioner of Education shall obtain and transmit to the Institute such information as it shall request with respect to programs carried on under title I of the Act.

(c) The Institute shall make an interim report to the President and to the Congress not later than December 31, 1976, and shall make a final report thereto no later than nine months after the date of submission of such interim report, on the result of its study conducted under this section. Any other provision of law, rule, or regulation to the contrary notwithstanding, such reports shall not be submitted to any review outside of the Institute before their transmittal to the Congress, but the President and the Commissioner of Education may make to the Congress such recommendations with respect to the contents of the reports as each may deem appropriate.

(d) Sums made available pursuant to section 151(i) of the Elementary and Secondary Education Act of 1965 shall be available to carry out the provisions of this section.

(e)(1) The Institute shall submit to the Congress, within one hundred and twenty days after the date of the enactment of this Act, a plan for its study to be conducted under this section. The Institute shall have such plan delivered to both Houses on the same day and to each House while it is in session. The Institute shall not commence such study until the first day after the close of the first period of thirty calendar days of continuous session of Congress after the date of the delivery of such plan to the Congress.

(2) For purposes of paragraph (1)—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

(20 U.S.C. 1221e note) Enacted August 21, 1974, P.L. 93–380, sec. 821, 88 Stat. 599, 600.

SURVEY AND STUDY FOR UPDATING NUMBER OF CHILDREN COUNTED

SEC. 822. (a) The Secretary of Commerce shall, in consultation with the Secretary of Health, Education, and Welfare, expand the current population survey (or make such other survey) in order to furnish current data for each State with respect to the total number of school-age children in each State to be counted for purposes of section 103(c)(1)(A) of title I of the Elementary and Secondary Act of 1965. Such survey shall be made, and a report of the results of such survey shall be made jointly by the Secretary of Commerce and the Secretary of Health, Education, and Welfare to the Congress, not later than one year after the date of the enactment of this Act.

(b) The Secretary of Health, Education, and Welfare and the Secretary of Commerce shall study the feasibility of updating the number of children counted for purposes of section 103(c) of title I of the Act in school districts of local educational agencies in order to make adjustments in the amounts of the grants for which local educational agencies within a State are eligible under section 103(a)(2) of the Act, and shall report to the Congress, no later than one year after the date of enactment of this Act, the results of such study, which shall include an analysis of alternative methods for making such adjustments, together with the recommendations of the Secretary of Health, Education, and Welfare and the Secretary of Commerce with respect to which such method or methods are most promising for such purpose, together with a study of the results of the expanded population survey, authorized in subsection (a) (including analysis of its accuracy and the potential utility of data derived therefrom) for making adjustments in the amounts paid to each State under section 144(a)(1) of title I of such Act.

(c) No method of making adjustments directed to be considered pursuant to subsection (a) or subsection (b) shall be implemented unless such method shall first be enacted by the Congress.

(20 U.S.C. 241c note) Enacted August 21, 1974, P.L. 93–380, sec. 822, 88 Stat. 600, 601.

STUDY OF THE MEASURE OF POVERTY USED UNDER TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

SEC. 823. The Assistant Secretary shall supervise, with the full participation of the National Institute of Education and the National Center for Education Statistics, a thorough study of the manner in which the relative measure of poverty for use in the financial assistance program authorized by title I of the Elementary and Secondary Education Act of 1965 may be more accurately and currently developed. The study of the relative measure of poverty required by this subsection shall be adjusted for regional, climatic, metropolitan, urban, suburban, and rural differences and for family size and head of household differences. The study required by this section shall consider—

(A) the availability of data more current than the decennial census including data collected by any agency of the Federal Government which are relevant except that data so collected shall not disclose the name of any individual or any other information customarily held confidential by that agency, but shall include aggregate information to the extent possible;

(B) the availability and usefulness of cost of living data;

(C) the availability and usefulness of cost of housing data;

(D) the availability and usefulness of labor market and job availability data;

(E) the availability and usefulness of data with respect to prevailing wage rates, unemployment rates, and income distribution; and

(F) the availability of data with respect to eligibility criteria for aid to families with dependent children under a State plan approved under title IV of the Social Security Act.

(2) The Assistant Secretary is authorized and directed to prepare and submit to the Congress not later than one year after the effective date of this Act a report of the study conducted under this subsection including recommendations with respect to the availability of data designed to improve the relative measure of poverty for the program of financial assistance authorized by title I of the Elementary and Secondary Education Act of 1965. Whenever the Assistant Secretary determines that data specified in paragraph (1) of this subsection are not available or that it is impractical to obtain data for each relevant area or category, the report shall contain an explanation of the reasons therefor.

(20 U.S.C. 241a note) Enacted August 21, 1974, P.L. 93–380, sec. 823, 88 Stat. 601.

STUDY OF LATE FUNDING OF ELEMENTARY AND SECONDARY EDUCATION PROGRAMS

SEC. 824. (a) The Commissioner shall make a full and complete investigation and study to determine—

(1) the extent to which late funding of Federal programs to assist elementary and secondary education handicaps local educational agencies in the effective planning of their education programs, and the extent to which program quality and achievement of program objectives is adversely affected by such late funding, and

(2) means by which, through legislative or adminstrative action, the problem can be overcome.

(b) Not later than one year after the date of enactment of this Act, the Commissioner shall make a report to the Congress on the study required by subsection (a), together with such recommendations as he may deem appropriate.

(20 U.S.C. 241a note) Enacted August 21, 1974, P.L. 93-380, sec. 824, 88 Stat. 602.

SAFE SCHOOL STUDY

SEC. 825. (a) The Secretary shall make a full and complete investigation and study, including necessary research activities, during the period beginning upon the date of enactment of this Act and ending June 30, 1976, to determine—

(1) the frequency, seriousness, and incidence of crime in elementary and secondary schools in the States;

(2) the number and location of schools affected by crime;

(3) the per-pupil average incidence of crimes in elementary and secondary schools in urban, suburban, and rural schools located in all regions of the United States;

(4) the cost of replacement and repair of facilities, books, supplies, equipment, and other tangible objects seriously damaged or destroyed as the result of crime in such schools; and

(5) the means by which crimes are attempted to be prevented in such schools and the means by which crimes may more effectively be prevented in such schools.

(b) Within thirty days after the date of the enactment of this Act, the Secretary shall request each State educational agency to take the steps necessary to establish and maintain appropriate records to facilitate the compilation of information under clauses (2) and (3) of subsection (a) and to submit such information to him no later than seven months after the date of enactment of this Act. In conducting this study, the Secretary shall utilize data and other information available as a result of any other studies which are relevant to the objectives of this section.

(c) Not later than December 1, 1976, the Secretary shall prepare and submit to the Congress a report on the study required by this section, together with such recommendations as he may deem appropriate. In such report, all information required under each paragraph of subsection (a) of this section shall be stated separately and be appropriately labeled, and shall be separately stated for elementary and secondary schools, as defined in sections 801 (c) and (d) of the Elementary and Secondary Education Act of 1965.

(d) The Secretary may reimburse each State educational agency for the amount of expenses incurred by it in meeting the requests of the Secretary under this section.

(e) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

(20 U.S.C. 241a note) Enacted August 21, 1974, P.L. 93-380, sec. 825, 88 Stat. 602.

STUDY OF ATHLETIC INJURIES

SEC. 826. (a) The Secretary shall make a full and complete investigation and study to determine—

(1) the number of athletic injuries to, and deaths of male and female students occurring in athletic competition between schools, in any practice session for such competition, and in any other school-rated athletic activities for the twelve-month period beginning sixty days after the date of enactment of this Act;

(2) the number of athletic injuries and deaths occurring (for the twelve-month period under clause (1) at each school with an athletic trainer or other medical or health professional personnel trained to prevent or treat such injuries and at each school without such personnel.

(b) Within fifty days after the date of enactment of this Act, the Secretary shall request each school to maintain appropriate records to enable it to compile information under subsection (a) and shall request such school to submit such information to the Secretary immediately after the twelve-month period beginning sixty days after the date of enactment of this Act. Not later than eighteen months after the date of enactment of this Act, the Secretary shall make a report to the Congress on the study required by subsection (a), together with such recommendations as he may deem appropriate. In such report, all information required under each paragraph of subsection (a) shall be stated separately for the two groups of schools under clauses (1) and (2) of subsection (c), except that the information shall also be stated separately (and shall be excluded from the group under clause (2)) for institutions of higher education which provide either of the two-year programs described in section 801(E)(3) of the Elementary and Secondary Education Act of 1965.

(c) For the purposes of this section, the term "school" means (1) any secondary school or (2) any institution of higher education, as defined in section 801 of the Elementary and Secondary Education Act of 1965.

(d) There is authorized to be appropriated the sum of $75,000 to carry out the provisions of this section.

(20 U.S.C. 241a note) Enacted August 21, 1974, P.L. 93-380, sec. 826, 88 Stat. 603.

* * * * * * *

ASSISTANCE TO STATES FOR STATE EQUALIZATION PLANS

SEC. 842. (a) (1) Any State desiring to develop a plan for a program of financial assistance to local educational agencies in that State to assist such agencies in the provision of free public education may, upon application therefor, be reimbursed for the development or administration of such a plan in accordance with the provisions of this section. Each plan developed pursuant to, or which meets the requirements of, this section shall be submitted to the Commissioner not later than July 1, 1977, and shall, subject to the provisions of this section, be consistent with the guidelines developed pursuant to paragraph (3). Such plan shall be designed to implement a program of State aid for free public education—

(A) which is consistent with such standards as may be required by the fourteenth article of amendment to the Constitution; and

(B) the primary purpose of which is to achieve equality of educational opportunity for all children in attendance at the schools of the local educational agencies of the State.

(2) The Commissioner shall develop guidelines defining the principles set forth in clauses (A) and (B) of paragraph (1). Not later than April 1, 1975, the Commissioner shall publish such guidelines in the Federal Register and submit such guidelines to the President of the Senate and the Speaker of the House of Representatives.

(3) During the sixty-day period following such publication, the Commissioner shall provide interested parties with an opportunity to present views and make recommendations with respect to such guidelines. Not later than July 1, 1975, the Commissioner shall (A) republish such guidelines in the Federal Register, together with any amendments thereto as may be merited and (B) publish in the Federal Register a summary of the views and recommendations presented by interested parties under the preceding sentence, together with the comments of the Commissioner respecting such views and recommendations.

(4)(A) The guidelines published in accordance with paragraph (3), together with any amendments, shall, not later than July 1, 1975, be submitted to the President of the Senate and the Speaker of the House of Representatives. If either the Senate or the House of Representatives adopts, prior to December 1, 1975, a resolution of disapproval of such guidelines, the Commissioner shall, prior to December 15, 1975, publish new guidelines. Such new guidelines shall take into consideration such views and policies as may be made in connection with such resolution and shall become effective thirty days after such publication.

(B) A resolution of disapproval under this paragraph may be in the form of a resolution of either the Senate or the House of Representatives or such resolution may be in the form of a concurrent resolution of both Houses. If such a resolution of disapproval is in the form of a concurrent resolution, the new guidelines published in accordance with the second sentence of subparagraph (A) of this paragraph shall be consistent with such policies as may be established by such concurrent resolution.

(C) If each of the Houses adopts a separate resolution with respect to guidelines submitted in accordance with this paragraph for any year and in connection therewith makes policy statements which differ substantially, then such differences may be resolved by the adoption of a concurrent resolution by both Houses. Any such concurrent resolution shall be deemed to be adopted in accordance with subparagraph (B).

(b) Any State developing a plan pursuant to this section may reject any guidelines developed and published under subsection (a) of this section if such State, as a provision of its plan, states the reasons for each such rejection.

(c)(1) Each State that develops a plan under this section shall be reimbursed for the reasonable amounts expended by the State in the development or administration of such a plan based upon the ratio of the population of that State to the population of all States except that no State shall receive less than $100,000 and no State shall receive more than $1,000,000.

(2) For the purposes of this section the term "State" means the fifty States.

(20 U.S.C. 246) Enacted August 21, 1974, P.L. 93-380, sec. 842, 88 Stat. 610, 611.

PUBLIC LAW 874, 81ST CONGRESS

TITLE I—FINANCIAL ASSISTANCE FOR LOCAL EDUCATION AGENCIES IN AREAS AFFECTED BY FEDERAL ACTIVITY

DECLARATION OF POLICY

SECTION 1. In recognition of the responsibility of the United States for the impact which certain Federal activities have on the local educational agencies in the areas in which such activities are carried on, the Congress hereby declares it to be the policy of the United States to provide financial assistance (as set forth in the following sections of this title) for those local educational agencies upon which the United States has placed financial burdens by reason of the fact that—

(1) the revenues available to such agencies from local sources have been reduced as the result of the acquisition of real property by the United States; or

(2) such agencies provide education for children residing on Federal property; or

(3) such agencies provide education for children whose parents are employed on Federal property; or

(4) there has been a sudden and substantial increase in school attendance as the result of Federal activities.[1]

(20 U.S.C. 236) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong. sec. 1, 64 Stat. 1100; amended April 11, 1965, P.L. 89-10, Title I, sec. 2, 79 Stat. 27.

FEDERAL ACQUISITION OF REAL PROPERTY

SEC. 2. (a) Where the Commissioner, after consultation with any local educational agency and with the appropriate State educational agency, determines for any fiscal year ending prior to July 1, 1978—

(1) that the United States owns Federal property in the school district of such local educational agency, and that such property (A) has been acquired by the United States since 1938, (B) was

---

[1] Sec. 2 of P.L. 92-277, enacted April 24, 1972, provides as follows:

"SEC. 2. All real property of the United States which was transferred to the United States Postal Service and was, prior to such transfer, treated as Federal property for purposes of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), shall continue to be treated as Federal property for such purpose for two years beyond the end of the fiscal year in which such transfer occurred."

not acquired by exchange for other Federal property in the school district which the United States owned before 1939, and (C) had an assessed value (determined as of the time or times when so acquired) aggregating 10 per centum or more of the assessed value of all real property in the school district (similarly determined as of the time or times when such Federal property was so acquired); and

(2) that such acquisition has placed a substantial and continuing financial burden on such agency; and

(3) that such agency is not being substantially compensated for the loss in revenue resulting from such acquisition by increases in revenue accruing to the agency from the carrying on of Federal activities with respect to the property so acquired,

then the local educational agency shall be entitled to receive for such fiscal year such amount as, in the judgment of the Commissioner, is equal to the continuing Federal responsibility for the additional financial burden with respect to current expenditures placed on such agency by such acquisition of property. Such amount shall not exceed the amount which, in the judgment of the Commissioner, such agency would have derived in such year, and would have had available for current expenditures, from the property acquired by the United States (such amount to be determined without regard to any improvements or other changes made in or on such property since such acquisition).

(b) For the purposes of this section any real property with respect to which payments are being made under section 13 of the Tennessee Valley Authority Act of 1933, as amended, shall not be regarded as Federal property.

(c) Where the school district of any local educational agency shall have been formed at any time after 1938 by the consolidation of two or more former school districts, such agency may elect (at the time it files application under section 5) for any fiscal year to have (1) the eligibility of such local educational agency, and (2) the amount which such agency shall be entitled to receive, determined under this section only with respect to such of the former school districts comprising such consolidated school district as the agency shall designate in such election.

(20 U.S.C. 237) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title I, sec. 2, 64 Stat. 1101; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., sec. 1, 67 Stat. 530; amended Aug. 12, 1955, C. 868, P.L. 382, 84th Cong., sec. 1, 69 Stat. 713; amended Aug. 3, 1956, C. 915, P.L. 949, 84th Cong., Title II, sec. 201, 70 Stat. 970; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 201, 72 Stat. 559; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 102(a), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title III, sec. 302, formerly sec. 32, 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1102(a), 78 Stat. 1109; amended April 11, 1965, P.L. 89–10, Title I, secs. 2, 5, 79 Stat. 27, 36; amended Jan. 2, 1968, P.L. 90–247, Title II, III, secs. 204(a)–(c) 301(e), 81 Stat. 808, 813; redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064; amended Apr. 13, 1970, P.L. 91–230, Title II, sec. 201(b), 84 Stat. 154; amended August 21, 1974, P.L. 93–380, sec. 303(a)(1), 88 Stat. 522.

CHILDREN RESIDING ON, OR WHOSE PARENTS ARE EMPLOYED ON FEDERAL PROPERTY

CHILDREN OF PERSONS WHO RESIDE AND WORK ON FEDERAL PROPERTY

SEC. 3. (a) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year, the Commissioner shall determine the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools, resided on Federal property and (1) did so with a parent employed on Federal property situated in whole or in part in the same State as the school district of such agency or situated within reasonable commuting distance from the school district of such agency, or (2) had a parent who was on active duty in the uniformed services (as defined in section 102 of the Career Compensation Act of 1949).

CHILDREN OF PERSONS WHO RESIDE OR WORK ON FEDERAL PROPERTY

(b) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year ending prior to July 1, 1975, the Commissioner shall also determine the number of children (other than children to whom subsection (a) applies) who were in average daily attendance at the schools of a local educational agency, and for whom such agency provided free public education, during such fiscal year and who, while in attendance at such schools, either (1) resided on Federal property, or (2) resided with a parent employed on Federal property situated in whole or in part in the same State as such agency or situated within reasonable commuting distance from the school district of such agency, or (3) had a parent who was on active duty in the uniformed services (as defined in section 102 of the Career Compensation Act of 1949). In the case of fiscal years ending prior to July 1, 1975, the Commissioner shall also determine the number of children (other than children to whom subsection (a) or any other provision of this subsection applies) who were in average daily attendance at the schools of a local educational agency and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools resided with a parent who was, at any time during the three-year period immediately preceding the fiscal year for which the determination is made, a refugee who meets the requirements of section 2(b)(3) (A) and (B) of the Migration and Refugee Assistance Act of 1962.

(c)(1) The amount to which a local educational agency is entitled under this section for any fiscal year shall be an amount equal to (A) the local contribution rate (determined under subsection (d)) multiplied by (B) the sum of the number of children determined under subsection (a) and one-half of the number determined under subsection (b).

(2) No local educational agency shall be entitled to receive any payment for a fiscal year with respect to a number of children determined under subsection (a) or the first sentence of subsection (b), as the case may be, unless the number of children who were in average daily attendance during such year to whom such subsection or such sentence applies—

(A) is ten or more; and

(B) amount to, whichever is the lesser, four hundred such children, or a number of such children equal to 3 per centum or more of the total number of children who were in average daily attendance during such year and for whom such agency provided free public education, except that such 3 per centum requirement need not be met by such agency for any period of two fiscal years which follows a fiscal year during which such agency met such requirement and was entitled to payment under the provisions of this section, but the payment, under the provisions of this section to such agency for the second fiscal year of any such two-year period during which such requirement is not met, shall be reduced by 50 per centum of the amount thereof.

For the purposes of this paragraph, a local educational agency may count as children determined under the first sentence of subsection (b) any number of children determined under subsection (a). Notwithstanding the provisions of clause (B) of this paragraph, the Commissioner may waive the 3 per centum condition of entitlement contained in such clause whenever, in his judgment, exceptional circumstances exist which would make the application of such condition inequitable and would defeat the purpose of this title.

(3) No local educational agency shall be entitled to receive any payment for a fiscal year with respect to a number of children determined under the second sentence of subsection (b) unless the number of children who were in average daily attendance to whom such sentence applies amounts to 20 per centum or more of the number of children who were in average daily attendance during such year and for whom such agency provided free public education, but in determining the number of such children under such second sentence no child shall be counted with respect to whose education a payment was made under section 2(b)(4) of the Migration and Refugee Assistance Act of 1962.

(4) If—

(A) the amount computed under paragraph (1) for a local educational agency for any fiscal year, together with the funds available to such agency from State, local, and other Federal sources (including funds available under section 4 of this title, but excluding funds available under title II) is, in the judgment of the Commissioner, less than the amount necessary to enable such agency to provide a level of education equivalent to that maintained in the school districts of the State which, in the judgment of the Commissioner, are generally comparable to the school district of such agency;

(B) such agency is, in the judgment of the Commissioner, making a reasonable tax effort and exercising due diligence in availing itself of State and other financial assistance;

(C) not less than 50 per centum of the total number of children who were in average daily atendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year resided on Federal property; and

(D) the eligibility of such agency under State law for State aid with respect to the free public education of children residing on Federal property, and the amount of such aid, is determined on a basis no less favorable to such agency than the basis used in determining the eligibility of local educational agencies for State aid, and the amount thereof, with respect to the free public education of other children in the State;

the Commissioner may increase the amount computed under paragraph (1) to the extent necessary to enable such agency to provide a level of education equivalent to that maintained in such comparable school districts; except that this paragraph shall in no case operate to increase the amount computed for any fiscal year under paragraph (1) for a local educational agency above the amount determined by the Commissioner to be the cost per pupil of providing a level of education equivalent to that maintained in such comparable school districts, multiplied by the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such year, and who resided on Federal property during such year, minus the amount of State aid which the Commissioner determines to be available with respect to such children for the year for which the computation is being made.

(5) The determinations whether a local educational agency has met the requirements for eligibility under paragraphs (2)(B) and (4)(C) of this subsection for any fiscal year shall be made on the basis of estimates by the Commissioner made prior to the close of such year, except that an underestimate made by the Commissioner pursuant to the foregoing provisions of this sentence shall not operate to deprive an agency of its entitlement to any payments under this section to which it would be entitled had the estimate been accurate.

(d) The local contribution rate for a local educational agency (other than a local educational agency in Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands, or in a State in which a substantial proportion of the land is in unorganized territory for which a State agency is the local educational agency, or in a State in which there is only one local educational agency) for any fiscal year shall be computed by the Commissioner of Education, after consultation with the State educational agency and the local educational agency, in the following manner:

(1) he shall determine which school districts within the State are in his judgment generally comparable to the school districts of the agency for which the computation is being made; and

(2) he shall then divide (A) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which he is making the computation, which the local educational agencies of such comparable school districts made from revenues derived from local sources, by (B) the aggregate number of children in average daily attendance to whom such agencies provided free public education during such second preceding fiscal year.

The local contribution rate shall be an amount equal to the quotient obtained under clause (2) of this subsection. If, in the judgment of the Commissioner, the current expenditures in those school districts which he has selected under clause (1) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in the school district of the local educational agency for which the computation is being made, a level of education equivalent to that maintained in such other districts, the Commissioner may increase the local contribution rate for such agency by such amount as he determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors. In no event shall the local contribution rate for any local educational agency in any State (other than Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands) for any fiscal year be less than (i) 50 per centum of the average per pupil expenditures in such State or (ii) 50 per centum of the average per pupil expenditure in the United States (which for purposes of this sentence and the next sentence means the fifty States and the District of Columbia), but not to exceed the average per pupil expenditure in the State: *Provided*, That if, for the fiscal year ending June 30, 1959, the application of clause (ii) of this sentence results in a lower local contribution rate than resulted from the application of such clause during the fiscal year ending June 30, 1958, as such clause was then in effect, then such clause, as in effect during the fiscal year ending June 30, 1958, shall be in effect during the fiscal year ending June 30, 1959. For the purposes of the preceding sentence the "average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, of all local educational agencies in the State, or in the United States, as the case may be, plus any direct current expenditures by the States for the operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding fiscal year. The local contribution rate for any local educational agency in Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands, or in any State in which a substantial proportion of the land is in unorganized territory for which a State agency is the local educational agency, or in any State in which there is only one local educational agency, shall be determined for any fiscal year by the Commissioner in accordance with policies and principles which will, in his judgment, best effectuate the purposes of this title and most nearly approximate the policies and principles provided herein for determining local contribution rates in other States.

ADJUSTMENT FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES

(e) Whenever the Commissioner determines that—

(1) a local educational agency has made preparations to provide during a fiscal year free public education for a certain number of children to whom subsection (a) or (b) applies;

(2) such preparations were in his judgment reasonable in the light of the information available to such agency at the time such preparations were made; and

(3) such number has been substantially reduced by reason of a decrease in or cessation of Federal activities or by reason of a failure of any of such activities to occur,

the amount to which such agency is otherwise entitled under this section for such year shall be increased to the amount to which, in the judgment of the Commissioner, such agency would have been entitled but for such decrease in or cessation of Federal activities or the failure of such activities to occur, minus any reduction in current expenditures for such year which the Commissioner determines that such agency has effected, or reasonably should have effected, by reason of such decrease in or cessation of Federal activities or the failure of such activities to occur. Such order of priority shall provide that applications for payments based upon increases in the number of children residing on, or residing with a parent employed on, property which is part of a low-rent housing project assisted under the United States Housing Act of 1937 shall not be approved for any fiscal year until all other applications under paragraphs (2) and (3) of subsection (a) of section 5 have been approved for that fiscal year.

(f) Notwithstanding any other provisions of title I of this Act (including the provisions of section 5(c)), a local educational agency with respect to which the number of children determined for any fiscal year under subsection (a) amounts to at least 25 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education, shall receive an amount equal to 100 per centum of the amounts to which such agency would be otherwise entitled under subsection (a) of this section.

(Note.—Section 3 is amended to read as follows with respect to appropriations for fiscal years beginning on and after July 1, 1975.)

CHILDREN RESIDING ON, OR WHOSE PARENTS ARE EMPLOYED ON, FEDERAL PROPERTY

Children of Persons Who Reside and Work on Federal Property [1]

Sec. 3. (a) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year, the Commisisoner shall determine the number of children who were in average daily attendance at the schools of such agency, and

---

[1] Section 305(b)(2)(A) of P.L. 93–380 provides as follows:

(2)(A)(i) Notwithstanding any other provision of law unless enacted in express limitation of this subparagraph—

"(I) in the case of any local educational agency which is entitled to a payment under section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) for the fiscal year ending June 30, 1973, which constituted an amount equal to not less than 10 per centum of the current expenditures of such agency for such fiscal year, the amount paid to such agency pursuant to such Act of September 30, 1950, for any fiscal year beginning after June 30, 1974, and ending prior to July 1, 1978, on the basis of the entitlement of that agency under such section 3, shall not be less than 90 per centum of the amount paid to such agency on the basis of such entitlement for the preceding fiscal year; and

"(II) in the case of any other local educational agency, the amount so paid during any fiscal year beginning after June 30, 1974, and ending prior to July 1, 1978, shall not be less than 80 per centum of the amount so paid for the preceding fiscal year."

In the case of any local educational agency which is eligible prior to July 1, 1975, for a payment under section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) by reason of the 3 per centum requirement in clause (B) of section 3(c)(2) of such Act, as in effect prior to the effective date of the amendment made by paragraph (1) of subsection (a), but which fails to meet such requirement in any fiscal year ending prior to July 1, 1977, such agency shall continue to be eligible for a payment under such section 3 as then in effect for the two succeeding fiscal years, but the payment under such section during the second of such succeeding fiscal years shall not exceed 50 per centum of the amount of the payment such agency was entitled to receive during the most recent fiscal year in which it was so eligible by reason of such clause (B).

(ii) Funds appropriated for any fiscal year for making payments to local educational agencies pursuant to the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), which are increased by reason of the provisions of division (i) shall, to the extent of any such increase, be separate from funds appropriated for such fiscal year for payments pursuant to title I of such Act which are not so increased. If, for any fiscal year, a law making appropriations for payments pursuant to such title I is enacted and such law makes no express provision for payments increased by division (i)—

"(I) all funds so appropriated shall be allocated and paid in accordance with section 5 of such Act of September 30, 1950, and without regard for the provisions of division (i); and

"(II) not later than fifteen days after the enactment of such law, the Commissioner shall submit a report to the Committees on Appropriations and on Education and Labor of the House of Representatives and the Committees on Appropriations and Labor and Public Welfare of the Senate which report shall contain a statement detailing the dollar amounts necessary to satisfy the requirements of division (i) and constitute a budget *for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools, resided on Federal property and—*

(1) did so with a parent employed on Federal property situated (A) in whole or in part in the county in which the school district of such agency is located, or (B) if not in such county, in whole or in part in the same State as the school district of such agency; or

(2) had a parent who was on active duty in the uniformed services (as defined in section 101 of title 37, United States Code).

---

estimate within the meaning of Section 201(a)(5) of the Act of June 10, 1921 (31 U.S.C. 11(a)(5))."

(B) In the case of any local educational agency which experiences a decrease in the number of children determined by the Commissioner of Education under section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) of 10 per centum or more of such number—

"(i) During the fiscal year ending June 30, 1974, or the fiscal year ending June 30, 1975; or

"(ii) During the period beginning July 1, 1973, and ending June 30, 1975."

As the result of a decrease in, or cessation of, Federal activities affecting military installations in the United States announced after April 16, 1973, the amount of the payment to which such agency shall be entitled under title I of such Act, as computed under section 3 of such Act, for any fiscal year ending prior to July 1, 1978, shall not be less than 90 per centum of the amount to which the agency was so entitled during the preceding fiscal year. The provisions of this subparagraph shall be effective on and after July 1, 1974, and with respect to appropriations for the fiscal year ending June 30, 1975, and succeeding fiscal years, and such provisions shall be deemed to have been enacted before the beginning of the fiscal year ending June 30, 1975. Nothing in this subparagraph shall be construed to decrease the amount of the payment to which any local educational agency is entitled for any fiscal year on the basis of entitlements created under section 3 of such Act of September 30, 1950.

(C) During the fiscal year in which the amendments made by subsection (a) are effective and each of the succeeding fiscal years ending prior to July 1, 1978, the Commissioner shall determine with respect to each local educational agency in any State the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools resided with a parent employed on Federal property in a State or in a county other than the State or county, as the case may be, in which the school district of such agency is located but which is situated within a reasonable commuting distance from the school district of such agency. If the number of children determined under the preceding sentence is equal to at least 10 per centum of the total number of children determined with respect to such agency for such fiscal year under section 3(b) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), the amount to which such agency shall be entitled with respect to a number of children determined under such section 3(b) for such fiscal year, shall not be less than 90 per centum of the amount which such agency received with respect to the number of children so determined during the preceding fiscal year, as computed under section 3 of such Act.

(D)(i) The Commissioner shall determine for each fiscal year beginning after June 30, 1975, and ending prior to July 1, 1978, the amount which each local educational agency would be paid for that fiscal year under section 3 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress) if the amount appropriated had been allocated as provided in section 5(c) of such Act without regard for entitlements (or portions thereof) which are attributable to determinations under subsections (a) and (b) of such section of the number of children who resided on, or resided with a parent employed on, property which is part of a low-rent housing project described in section 403(1)(C). The Commissioner shall then determine the amount which each local educational agency is to be paid for that fiscal year under such section 3 and allocated in accordance with such section 5(c). If the amount determined with respect to any local educational agency under the first sentence of this division is greater than the amount determined with respect to the second sentence of this division, the Commissioner shall pay to that agency an amount equal to the difference between the amounts so determined.

(ii) Funds appropriated for any fiscal year for making payments pursuant to the third sentence of division (i) shall be separate from funds appropriated or such fiscal year for making payments pursuant to section 5 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress). If, for any fiscal year, a law making appropriations for payments pursuant to such section 5 is enacted, and such law makes no express provision for payments pursuant to such third sentence—

"(I) all funds so appropriated shall be allocated and paid in accordance with such section 5, without regard for such third sentence; and

"(II) not later than fifteen days after the enactment of such law, the Commissioner shall submit a report to the Committees on Appropriations and on Education and Labor of the House of Representatives and the Committees on Appropriations and Labor and Public Welfare of the Senate, which report shall contain a statement detailing the dollar amounts necessary to make the payments required under such third sentence and shall, with respect to such dollar amounts, constitute a budget estimate within the meaning of section 201(a)(5) of the Act of June 10, 1921 (31 U.S.C. 11(a)(5))."

In making a determination under clause (2) of the preceding sentence with respect to a local educational agency for any fiscal year, the Commissioner shall include the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such year, and who, while in attendance at such schools, resided on Indian lands, as described in clause (A) of section 403(1).

Children of Persons Who Reside or Work on Federal Property

(b) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year ending prior to July 1, 1978, the Commissioner shall, in addition to any determination made with respect to such agency under subsection (a), determine the number of children (other than children with respect to whom a determination is made for such fiscal year under subsection (a)) who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year and who, while in attendance at such schools, either—

(1) resided on Federal property, or

(2) resided with a parent employed on Federal property situated (A) in whole or in part in the county in which the school district of such agency is located, or (B) if not in such county, in whole or in part in the same State as the school district of such agency, or

(3) had a parent who was on active duty in the uniformed services (as defined in section 101 of title 37, United States Code).

For such purpose, with respect to a local educational agency, in the case of any fiscal year ending prior to July 1, 1978, the Commissioner shall also determine the number of children (other than children to whom subsection (a) or the preceding sentence applies) who were in average daily attendance at the schools of such agency and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools resided with a parent who was, at any time during the three-year period immediately preceding the beginning of the fiscal year for which the determination is made, a refugee who meets the requirements of clauses (A) and (B) of section 2(b)(3) of the Migration and Refugee Assistance Act of 1962, except that the Commissioner shall not include in his determination under this sentence for any fiscal year any child with respect to whose education a payment was made under section 2(b)(4) of such Act.

Eligibility for Payments

(c)(1) Except as is provided in paragraph (2), no local educational agency shall be entitled to receive a payment for any fiscal year with respect to a number of children determined under subsection (a) and subsection (b), unless the number of children so determined with respect to such agency amounts to—

(A) at least four hundred such children; or

(B) a number of such children which equals at least 3 per centum of the total number of children who were in average daily attendance, during such year, at the schools of such agency and for whom such agency provided free public education;

whichever is the lesser.

(2)(A)(i) Clause (B) of paragraph (1) shall not operate to make any local educational agency eligible for a payment under this section for any fiscal year unless the number of children with respect to whom determination was made under subsections (a) and (b) respecting such agency for that fiscal year is at least ten.

(ii) If a local educational agency is eligible for a payment for any fiscal year by the operation of clause (B) of paragraph (1), it shall continue to be so eligible for the two succeeding fiscal years even if such agency fails to meet the requirement of such clause (B) during such succeeding fiscal years, except that the number of children determined for the second such succeeding fiscal year with respect to such agency for the purpose of any clause in paragraph (1) of subsection (d) shall not exceed 50 per centum of the number of children determined with respect to such agency for the purpose of that clause for the last fiscal year during which such agency was so eligible.

(iii) If the Commissioner determines with respect to any local educational agency for any fiscal year that—

(I) such agency does not meet the requirement of clause (B) of paragraph (1); and

(II) the application of such requirement, because of exceptional circumstances, would defeat the purposes of this title;

the Commissioner is authorized to waive such requirement with respect to such agency.

(B) No local educational agency shall be entitled to receive a payment for any fiscal year with respect to a number of children determined under the second sentence of subsection (b) unless the number of children so determined constitutes at least 20 per centum of the total number of children who were in average daily attendance at the schools of such agency and for whom such agency, during such fiscal year, provided free public education.

Amount of Payments

(d)(1) Except as is provided in paragraph (2), the amount to which a local educational agency shall be entitled under this section for any fiscal year shall be—

(A) in the case of any local educational agency with respect to which the number of children determined for such fiscal year under subsection (a) amounts to at least 25 per centum of the total number of children who were to average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education, an amount equal to 100 per centum of the local contribution rate multiplied by the

number of children determined under such subsection plus the sum of the products obtained with respect to such agency under clauses (B)(iii), (B)(iv), (B)(v); and

(B) in any other case, an amount equal to the sum of—

(i) the product obtained by multiplying 100 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (2) of subsection (a),

(ii) the product obtained by multiplying 90 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (1) of subsection (a),

(iii) the product obtained by multiplying 50 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (3) of subsection (b).

(iv) the product obtained by multiplying 45 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clauses (1) and (2)(A) of subsection (b), and

(v) the product obtained by multiplying 40 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under clause (2)(B) of subsection (b).

(2)(A) Not later than December 1 during each fiscal year beginning after June 30, 1977, the Commissioner shall, except as is provided in clause (iii) in the third sentence of this subparagraph, determine the total number of children with respect to whom determinations are made under subsection (b) for all local educational agencies making application for payments under this section which meet the eligibility requirements set forth in subsection (c). The Commissioner shall determine the percentage which such number constitutes of the total number of children who were in average daily attendance at the schools of such agencies during such fiscal year and for whom such agencies provided free public education. In calculating the products under clauses (B)(iii), (B)(iv), and (B)(v), of paragraph (1), with respect to any local educational agency for any fiscal year, the Commissioner shall reduce the number of children with respect to whom a determination is made under subsection (b) by a number equal to one-half of the number which the percentage determined under the preceding sentence constitutes of the total number of children with respect to whom such determination is made and who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education, except that—

(i) such percentage shall not exceed 4 per centum;

(ii) the number reduced shall not exceed three hundred; and

(iii) this subparagraph shall not apply to any local educational agency (I) with respect to which the number of children determined under subsection (b) for any fiscal year amounts to at least 10 per centum of the total number of children who were in average daily attendance at the schools of such agency during such

fiscal year and for whom such agency provided free public education, or (II) during any fiscal year in which such agency receives more than 25 per centum of the funds for its current expenditures from payments under this section.

In determining the total number of children who were in average daily attendance at the schools of an agency during any fiscal year under clause (iii)(I) in the preceding sentence, the number of children in such schools with respect to whom a determination is made under subsection (a) for such year shall not be considered.

(B) If the Commissioner determines that—

(i) the amount computed under paragraph (1), as is otherwise provided in this subsection with respect to any local educational agency for any fiscal year, together with the funds available to such agency from State and local sources and from other sections of this title, is less than the amount necessary to enable such agency to provide a level of education equivalent to that maintained in the school districts of the State which are generally comparable to the school district of such agency;

(ii) such agency is making a reasonable tax effort and exercising due diligence in availing itself of State and other financial assistance;

(iii) not less than 50 per centum of the total number of children who were in average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education were, during such fiscal year, determined under either subsection (a) or clause (1) of subsection (b), or both; and

(iv) the eligibility of such agency under State law for State aid with respect to free public education of children residing on Federal property, and the amount of such aid, are determined on a basis no less favorable to such agency than the basis used in determining the eligibility of local educational agencies for State aid, and the amount thereof, with respect to the free public education of other children in the State;

the Commissioner is authorized, to increase the amount computed under paragraph (1) with respect to such agency for such fiscal year to the extent necessary to enable such agency to provide a level of education equivalent to that maintained in such comparable school districts. The Commissioner shall not, under, the preceding sentence, increase the amount computed under paragraph (1) with respect to any local educational agency for any fiscal year to an amount which exceeds the product of—

(I) the amount the Commissioner determines to be the cost per pupil of providing a level of education maintained in such comparable school districts during such fiscal year,

multiplied by—

(II) the number of children determined with respect to such agency for such year under either subsection (a) or clause (1) of subsection (b), or both,

minus the amount of State aid which the Commissioner determines to be available with respect to such children for the fiscal year for which the computation is being made.

(C)(i) The amount of the entitlement of any local educational agency under this section for any fiscal year with respect to handicapped children and children with specific learning disabilities for whom a determination is made under subsection (a)(2) or (b)(3) and for whom such local educational agency is providing a program designed to meet the special educational and related needs of such children shall be the amount determined under paragraph (1) with respect to such children for such fiscal year multiplied by 150 per centum.

(ii) For the purposes of division (i), programs designed to meet the special educational and related needs of such children shall be consistent with criteria established under division (iii).

(iii) The Commissioner shall by regulation establish criteria for assuring that programs (including preschool programs) provided by local educational agencies for children with respect to whom this subparagraph applies are of sufficient size, scope, and quality (taking into consideration the special educational needs of such children) as to give reasonable promise of substantial progress toward meeting those needs, and in the implementation of such regulations the Commissioner shall consult with persons in charge of special education programs for handicapped children in the educational agency of the State in which such local educational agency is located.

(iv) For the purpose of this subparagraph the term "handicapped children" has the same meaning as specified in section 602(1) of the Education of the Handicapped Act and the term "children with specific learning disabilities" has the same meaning as specified in section 602(15) of such Act.

(3)(A) Except as is provided in subparagraph (B), in order to compute the local contribution rate for a local educational agency for any fiscal year, the Commissioner, after consulting with the State educational agency of the State in which the local educational agency is located and with the local educational agency, shall determine which school districts within such State are generally comparable to the school district of the local educational agency for which the computation is being made. The local contribution rate for such agency shall be the quotient of—

(i) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, which the local educational agencies of such comparable school districts derived from local sources,

divided by—

(ii) the aggregate number of children in average daily attendance for whom such agency provided free public education during such second preceding fiscal year.

(B)(i) The local contribution rate for a local educational agency in any State shall not be less than—

(I) 50 per centum of the average per pupil expenditure in such State, or

(II) 50 per centum of such expenditures in all the States,

whichever is greater, except that clause (II) shall not operate in such a manner as to make the local contribution rate for any local educational agency in any State exceed an amount equal to the average per pupil expenditure in such State.

(ii) If the current expenditures in those school districts which the Commissioner has determined to be generally comparable to the school district of the local educational agency for which a computation is made under subparagraph (A) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in the school district of such agency, a level of education equivalent to that maintained in such other school districts, the Commissioner is authorized to increase the local contribution rate for such agency by such an amount which he determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors.

(iii) The local contribution rate for any local educational agency in—

(I) Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands, or

(II) any State in which a substantial proportion of the land is in unorganized territory, or

(III) any State in which there is only one local education agency.

shall be determined for any fiscal year by the Commissioner in accordance with policies and principles which will best achieve the purposes of this section and which are consistent with the policies and principles provided in this paragraph for determining local contribution rates in States where it is possible to determine generally comparable school districts.

(C) For the purposes of this paragraph—

(i) the term "State" does not include Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands; and

(ii) the "average per pupil expenditure" in a State shall be (I) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made of all local educational agencies in the State, divided by (II) the aggregate number of children in average daily attendance for whom such agencies provide free public education during such second preceding fiscal year.

Adjustments for Decreases in Federal Activities

(e) Whenever the Commissioner determines that—

(1) for any fiscal year, the number of children determined with respect to any local educational agency under subsections (a) and (b) is less than 90 per centum of the number so determined with respect to such agency during the preceding fiscal year;

(2) there has been a decrease or cessation of Federal activities within the State in which such agency is located; and

(3) such decrease or cessation has resulted in a substantial decrease in the number of children determined under subsections (a) and (b) with respect to such agency for such fiscal year;

the amount to which such agency is entitled for such fiscal year and for any of the three succeeding fiscal years shall not be less than 90 per centum of the amount to which such agency was so entitled for the preceding fiscal year. That part of any entitlement of any local educa-

tional agency which is in excess of the amount which such entitlement would be without the operation of the preceding sentence shall be deemed to be attributable to determinations of children with respect to such agency under subsection (b)(2)(A).

Determinations on the Basis of Estimates

(f) Determinations with respect to a number of children by the Commissioner under this section for any fiscal year shall be made, whenever actual satisfactory data are not available, on the basis of estimates. No such determination shall operate, because of an underestimate, to deprive any local educational agency of its entitlement to any payment (or the amount thereof) under this section to which such agency would be entitled had such determination been made on the basis of accurate data.

(20 U.S.C. 238) Enacted Sept. 30, 1950, c. 1124, P.L. 874, 81st Cong., Title I, sec. 3, 64 Stat. 1102; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., sec. 2, 67 Stat. 530; amended Aug. 12, 1955, c. 868, P.L. 382, 84th Cong., sec. 1, 69 Stat. 713; amended Aug. 1, 1956, c. 852, P.L. 896, 84th Cong., sec. 10, 70 Stat. 909; amended Aug. 3, 1956, c. 915, P.L. 949, 84th Cong., Title II, secs. 202–206, 70 Stat. 970, 971; amended Aug. 12, 1958, P.L. 85–620, Title II, sec., 202, 72 Stat. 559; amended June 25, 1959, P.L. 86–70 sec. 18(d)(1)–(3), 73 Stat. 144; amended July 12, 1960, P.L. 86–624, sec. 14(d)(1)–(3), 74 Stat. 414; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 102(a), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title III, sec. 302, formerly sec. 32, 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1102(a), 78 Stat. 1109; amended April 11, 1965, P.L. 89–10, Title I, secs. 2, 3(a), 4(d)(2), 5, 79 Stat. 27, 34–36; amended Nov. 1, 1965, P.L. 89–313, sec. 4(a), 79 Stat. 1161; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 201, 80 Stat. 1210; amended Jan. 2, 1968, P.L. 90–247, Titles II, III, secs. 204(d), 205(a), 206, 301(e), 81 Stat. 808, 809, 813; redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064, amended April 13, 1970, P.L. 91–230, Title II, secs. 201(b), 202, 84 Stat. 154, 155; amended August 21, 1974, P.L. 93–380, sec. 304, 88 Stat. 522; rewritten August 21, 1974, P.L. 93–380, sec. 305(a)(1), 88 Stat. 523, 529.

SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE

INCREASES HEREAFTER OCCURRING

SEC. 4. (a) If the Commissioner determines for any fiscal year ending prior to July 1, 1978—

(1) that, as a direct result of activities of the United States (carried on either directly or through a contractor), an increase in the number of children in average daily attendance at the schools of any local educational agency has occurred in such fiscal year, which increase so resulting from activities of the United States is equal to at least 5 per centum of the difference between the number of children in average daily attendance at the schools of such agency during the preceding fiscal year and the number of such children whose attendance during such year resulted from activities of the United States (including children who resided on Federal property or with a parent employed on Federal property);

(2) that such activities of the United States have placed on such agency a substantial and continuing financial burden; and

(3) that such agency is making a reasonable tax effort and is exercising due diligence in availing itself of State and other finan-

cial assistance but is unable to secure sufficient funds to meet the increased educational costs involved,

then such agency shall be entitled to receive for such fiscal year an amount equal to the product of—

(A) the number of children which the Commissioner determines to be the increase, so resulting from activities of the United States, in such year in average daily attendance; and

(B) the amount which the Commissioner determines to be the current expenditures per child necessary to provide free public education to such additional children during such year, minus the amount which the Commissioner determines to be available from State, local, and Federal sources for such purpose (not counting as available for such purpose either payments under this Act or funds from local sources necessary to provide free public education to other children).

For the next fiscal year (except where the determination under the preceding sentence has been made with respect to the fiscal year ending June 30, 1968) such agency shall be entitled to receive 50 per centum of such product reduced by the amount of such product which is attributable to children with respect to whom such agency is, or upon application would be, entitled to receive any payment under section 3 for such fiscal year, but not to exceed for such year the amount which the Commissioner determines to be necessary to enable such agency, with the State, local, and other Federal funds (exclusive of funds available under title II) available to it for such purpose, to provide a level of education equivalent to that maintained in the school districts in such State which in his judgment are generally comparable to the school district of such agency. The determinations whether an increase has occurred for purposes of clause (1) hereof and whether such increase meets the 5 per centum requirement contained in such clause, for any fiscal year, shall be made on the basis of estimates by the Commissioner made prior to the close of such year, except that an underestimate made by the Commissioner pursuant to the foregoing provisions of this sentence shall not operate to deprive an agency of its entitlements to any payments under this section to which it would be entitled had the estimate been accurate. The determination under clause (B) shall be made by the Commissioner after considering the current expenditures per child in providing free public education in those school districts in the State which, in the judgment of the Commissioner, are generally comparable to the school district of the local educational agency for which the computation is being made.

INCREASES HERETOFORE OCCURRING

(b) (Subsection 4(b) has been executed.)

COUNTING OF CERTAIN CHILDREN

(c) In determining under subsection (a) whether there has been an increase in attendance in any fiscal year directly resulting from activities of the United States and the number of children with respect to whom payment is to be made for any fiscal year, the Commissioner shall not count—

(A) children with respect to whom a local educational agency is, or upon application would be, entitled to receive any payment under section 3 for such fiscal year: *Provided*, That the Commissioner shall count for such purposes as an increase directly resulting from activities of the United States, an increase in the number of children who reside on Federal property or reside with a parent employed on Federal property, if the local educational agency files, in accordance with regulations of the Commissioner, its election that such increase be counted for such purposes instead of for the purposes of section 3; and

(B) children whose attendance is attributable to activities of the United States carried on in connection with real property which has been excluded from the definition of Federal property by the last sentence of paragraph (1) of section 403.

ADJUSTMENT FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES

(d) Whenever the Commissioner determines that—

(1) a local educational agency has made preparations to provide during a fiscal year free public education for a certain number of children to whom subsection (a) applies;

(2) such preparations were in his judgment reasonable in the light of the information available to such agency at the time such preparations were made; and

(3) such number has been substantially reduced by reason of a decrease in or cessation of Federal activities or by reason of a failure of any of such activities to occur.

the amount to which such agency is otherwise entitled under this section for such year shall be increased to the amount to which, in the judgment of the Commissioner, such agency would have been entitled but for such decrease in or cessation of Federal activities or the failure of such activities to occur, minus any reduction in current expenditures for such year which the Commissioner determines that such agency has effected, or reasonably should have effected, by reason of such decrease in or cessation of Federal activities or the failure of such activities to occur.

CONSULTATION WITH STATE AND LOCAL AUTHORITIES

(e) All determinations of the Commissioner under this section shall be made only after consultation with the State educational agency and the local educational agency.

(20 U.S.C. 239) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title I, sec. 4, 64 Stat. 1104; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., secs. 3, 5, 67 Stat. 552; amended Aug. 12, 1955, c. 868, P.L. 382, 84th Cong., secs. 1, 2, 69 Stat. 713; amended Aug. 3, 1956, C. 915, P.L. 896, 84th Cong., Title II, secs. 207, 208, 70 Stat. 972; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 203, 72 Stat. 560; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 102(a), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title III, sec. 302, formerly sec. 32, 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 102(a), 78 Stat. 1109; amended April 11, 1965, P.L. 89–10, Title I, secs. 3(b), 5, 79 Stat. 34, 36; amended Jan. 2, 1968, P.L. 90–247, Title III, sec. 301(e), 81 Stat. 813, redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064, amended April 13, 1970, P.L. 91–230, Title II, sec. 201(b), 84 Stat. 154; amended August 21, 1974, P.L. 93–380, sec. 303(a)(2), 88 Stat. 522.

METHOD OF MAKING PAYMENTS [1]

APPLICATION

SEC. 5. (a) (1) No local education agency shall be entitled to any payment under section 2, 3, or 4 of this title for any fiscal year except upon application therefor, submitted through the State educational agency and filed in accordance with regulations of the Commissioner, which application gives adequate assurance that the local educational agency will submit such reports as the Commissioner may reasonably require to determine the amount to which such agency is entitled under this title.

(2)(A) Applications for payment on the basis of children determined under section 3(a) or 3(b) who reside, or reside with a parent employed, on Indian lands shall set forth adequate assurance that Indian children will participate on an equitable basis in the school program of the local educational agency.

(B) For the purposes of this paragraph, Indian lands means that property included within the definition of Federal property under clause (A) of section 403(1).[2]

PAYMENT

(b) The Commissioner shall, subject to the provisions of subsection (c), from time to time pay to each local educational agency, in advance or otherwise, the amount which he estimates such agency is entitled to receive under this title. Such estimates shall take into account the extent (if any) to which any previous estimate of the amount to be paid such agency under this title (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it. Such payments shall be made through the disbursing facilities of the Department of the Treasury and prior to audit or settlement by the General Accounting Office. Sums appropriated pursuant to this title for any fiscal year shall remain available, for obligation and payments with respect to amounts due local educational agencies under this title for such year, until the close of the following fiscal year.

ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

(c)(1) If the funds appropriated for any fiscal year for making payments under this title are not sufficient to pay in full the total amounts which the Commissioner estimates all local educational agencies will be entitled to receive under this title for such year, the Commissioner (A) shall determine the part of the entitlement of each such local educational agency which is attributable to determinations under subsections (a) and (b) of section 3 of the number of children who resided on, or resided with a parent employed on, property which is part of a low-rent housing project assisted under the United States Housing Act of 1937, section 516 of the Housing Act of 1949, or part B of title III of the Economic Opportunity Act of 1964 (other than any such property which is Federal property described in section 403 (1)(A)), and (B) except as otherwise provided in paragraph (3), shall allocate such funds, other than so much thereof as he estimates may be required for carrying out the provisions of section 6, among sections 2, 3, and 4(a) in the proportion that the amount he estimates to be required under each such section bears to the total estimated to be required under all such sections, except that he shall not take into consideration any part of any entitlement determined under clause (A). The amount so allocated to any such section shall be available for payment of a percentage of the amount to which each local educational agency is entitled under such section. Such percentage shall be equal to the percentage which the amount allocated to a section under the second sentenece of this paragraph is of the amount to which all such agencies are entitled under such section. For the purposes of this paragraph, in determining the amount to which each local educational agency is entitled under section 3 he shall include any increases under paragraph (4) of subsection (c) thereof; but he shall exclude any part of any entitlement determined under clause (A) of this paragraph.

---

[1] For the purposes of section 5 of the Act of September 23, 1950, the number of children in the membership of a local educational agency residing in a low-rent housing project assisted under the United States Housing Act of 1937 during the years of the base period preceding the effective date provided in paragraph (1) shall be determined by the Commissioner on the basis of estimates. Paragraph (1) provides that the effective date for amendments made by P.L. 91–231, sec. 203(a)(6) is after June 30, 1970.

[2] Section 411(c)(2) of P.L. 92–318 provides as follows:

"(2)(A) The Commissioner shall exercise his authority under section 425 of the General Education Provisions Act, to encourage local parental participation with respect to financial assistance under title I of Public Law 874, 81st Congress, based upon children who reside on, or reside with a parent employed on, Indian lands.

"(B) For the purposes of this paragraph, the term "Indian lands" means that property included within the definition of Federal property under clause (A) of section 403(1) of Public Law 874, 81st Congress."

(2) If the funds available for allocation under paragraph (1) for any fiscal year exceed the amount necessary to fully satisfy entitlements for which allocations will be made under such paragraph, that excess shall be available for payment of a percentage of that part of the entitlement of each local educational agency determined under clause (A) of paragraph (1). Such percentage shall be equal to the percentage which the amount of such excess is of the total amount to which all such agencies are so entitled.

(3) All funds appropriated for making payments under this title for any fiscal year shall be allocated in the manner specified in paragraphs (1) and (2), unless an Act making appropriations for making payments under this title for any fiscal year specifically makes funds available for payments on the basis of entitlements determined under clause (A) of paragraph (1), apart from other payments under this title, in which case, if the funds so appropriated are not sufficient to pay in full the total amount to which all local educational agencies are so entitled, such funds shall be available for making payments in the manner specified in paragraph (2) respecting allocations of any excess appropriations.

(4) In case the amount allocated to a section under paragraph (1) for a fiscal year exceeds the total to which all local educational agencies are entitled under such section for such year or, in case additional funds become available for making payments under this title, the excess or such additional funds, as the case may be, shall be allocated among sections for which previous allocations are inadequate, on the same basis as is provided in paragraphs (1), (2), and (3) for the initial allocation.

ADJUSTMENTS FOR REDUCTION IN STATE AID

(d)(a) The amount which a local educational agency in any State is otherwise entitled to receive under section 2, 3, or 4 for any fiscal year shall be reduced in the same proportion (if any) that the State has reduced for that year its aggregate expenditures (from non-Federal sources) per pupil for current expenditure purposes for free public education (as determined pursuant to regulations of the Commissioner) below the level of such expenditures per pupil in the second preceding fiscal year. The Commissioner may waive or reduce this reduction whenever in his judgment exceptional circumstances exist which would make its application inequitable and would defeat the purpose of this title.

(2) No payments may be made during any fiscal year to any local educational agency in any State which has taken into consideration payments under this title in determining the eligibility of any local educational agency in that State for State aid (as defined by regulation), or the amount of that aid, with respect to free public education during that year or the preceding fiscal year, or which makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under this title than such local educational agency would receive if it were not so eligible.

(3)(A) Notwithstanding paragraph (2) of this subsection, if a State has in effect a program of State aid for free public education for any fiscal year, which is designed to equalize expenditures for free public education among the local educational agencies of that State, payments under this title for any fiscal year may be taken into consideration by such State in determining the relative—

(i) financial resources available to local educational agencies in that State; and

(ii) financial need of such agencies for the provision of free public education for children served by such agency, provided that a State may consider as local resources funds received under this title only in proportion to the share that local revenues covered under a State equalization program are of total local revenues.

Whenever a State educational agency or local educational agency will be adversely affected by any decision of the Commissioner pursuant to this subsection, such agency shall be afforded notice and an opportunity for a hearing prior to the implementation of such decision.

(B) The terms "State aid" and "equalize expenditures" as used in this subsection shall be defined by the Commissioner by regulation after consultation with State and local educational agencies affected provided that, the term "equalize expenditures" shall not be construed in any manner adverse to a program of State aid for free public education which provides for taking into consideration the additional cost of providing free public education for particular groups or categories of pupils in meeting the special educational needs of such children as handicapped children, economically disadvantaged, those who need bilingual education, and gifted and talented children.[1]

(NOTE.—Section 5 is amended to read as follows with respect to appropriations for years beginning on or after July 1, 1975.)

---

[1] Section 304(c)(3) of P.L. 93-380 provides that this subsection shall be effective only during fiscal year 1975.

PAYMENTS

Applications

SEC. 5. (a)(1) Any local educational agency desiring to receive the payments to which it is entitled for any fiscal year under sections 2, 3, or 4 shall submit an application therefor through the State educational agency of the State in which such agency is located to the Commissioner. Such applications shall be submitted at such time, in such form, and containing such information as the Commissioner may reasonably require to determine whether such agency is entitled to a payment under any of such sections and the amount of such payment.

(2)(A) Applications submitted under paragraph (1) for payments on the basis of children determined under section 3(a) or 3(b) who reside, or reside with a parent employed, on Indian lands shall set forth adequate assurance that Indian children will participate on an equitable basis in the school program of the local educational agency.

(B) For the purposes of this paragraph the term 'Indian lands' means that property included within the definition of Federal property under clause (A) of section 403(1).

Payments by the Commissioner

(b) The Commissioner shall pay to each local educational agency, making application pursuant to subsection (a), the amount to which it is entitled under sections 2, 3, or 4. Sums appropriated, for any fiscal year, to enable the Commissioner to make payments pursuant to this title shall, notwithstanding any other provision of law unless enacted in express limitation of this subsection, remain available for obligation and payments with respect to amounts due local educational agencies under this title for such fiscal year, until the end of the fiscal year succeeding the fiscal year for which such sums are appropriated.

Adjustments Where Necessitated by Appropriations

(c) If the sums appropriated for any fiscal year for making payments on the basis of entitlements established under sections 2, 3, and 4 for that year are not sufficient to pay in full the total amounts which the Commissioner estimates all local educational agencies are entitled to receive under such sections for such year, the Commissioner shall allocate such sums among local educational agencies and make payments to such agencies as follows:

(1) He shall first allocate to each local educational agency which is entitled to a payment under section 2 and section 3 an amount equal to 25 per centum of the amount to which it is entitled as computed under section 2 or section 3(d), as the case may be, for the such fiscal year.

(2) From that part of such sums which remains after the allocation required by paragraph (1) for any fiscal year, he shall allocate an additional amount—

(A) to each local educational agency described in clause (A) of section 3(d)(1) which equals 75 per centum of the amount to which agency is entitled, as compared under section 3(d) with respect to a determination of a number of children under section 3(a), for such fiscal year;

(B) to each local educational agency with respect to which a number of children is determined under clause (2) of section 3(a) which equals 65 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year;

(C) to each educational agency with respect to which a number of children is determined under clause (1) of section 3(a) which equals 63 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year:

(D) to each local educational agency with respect to which a number of children is determined under clause (3) of section 3(b) which equals 35 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year;

(E) to each local educational agency with respect to which a number of children determined under clause (1) and clause (2)(A) of section 3(b) which equals 32 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d) for such fiscal year.

(F) to each local educational agency with respect to which a number of children is determined under clause (2)(B) of section 3(b) which equals 28 per centum of the amount to which such agency is entitled on the basis of determining such children, as computed under section 3(d), for such fiscal year; and

(G) to each local educational agency with respect to the amount to which such agency is entitled under section 2 which equals 35 per centum of the amount to which such agency is entitled on the basis of computations made under section 2 for such fiscal year.

(3) Any sums remaining after allocations are made pursuant to paragraph (2) for any fiscal year shall be allocated by the Commissioner among local educational agencies which have unsatisfied entitlements established under sections 2, 3, and 4 in proportion to the degree to which such entitlements are unsatisfied for that fiscal year, after allocations are made pursuant to paragraphs (1) and (2).

No allocation may be made pursuant ta paragraph (2) or (3) and no payment may be paid on the basis of any such allocation unless allocations are made pursuant to paragraph (1) and payments are made on the basis of such allocations. No allocation may be made pursuant to any clause of paragraph (2) and no payment may be made on the basis of any such allocation unless allocations are made pursuant to all of the clauses of such paragraph and payments are made on the basis of such allocations.

Treatment of Payments by the States in Determining Eligibilty for, and the Amount of, State Aid

(d)(1) Except as provided in paragraph (2), no payments may be made under this title for any fiscal year to any local educational agency in any State (A) if that State has taken into consideration payments under this title in determining—

(i) the eligibility of any local educational agency in that State for State aid for free public education of children; or

(ii) the amount of such aid with respect to any such agency;

during that fiscal year or the preceding fiscal year, or (B) if such State makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under this title than such agency would receive if such agency were not so eligible.

(2)(A) Notwithstanding paragraph (1) of this subsection, if a State has in effect a program of State aid for free public education for any fiscal year, which is designed to equalize expenditures for free public education among the local educational agencies of that State, payments under this title for any fiscal year may be taken into consideration by such State in determining the relative—

(i) financial resources available to local educational agencies in that State; and

(ii) financial need of such agencies for the provision of free public education for children served by such agency, provided that a State may consider as local resources funds received under this title only in proportion to the share that local revenues covered under a State equalization program are of total local revenues.

Whenever a State educational agency or local educational agency will be adversely affected by the operation of this subsection, such agency shall be afforded notice and an opportunity for a hearing prior to the reduction or termination of payments pursuant to this subsection.

(B) The terms 'State aid' and 'equalize expenditures' as used in this subsection shall be defined by the Commissioner by regulation, after consultation with State and local educational agencies affected by this subsection, provided that the term 'equalize expenditures' shall not be construed in any manner adverse to a program of State aid for free public education which provides for taking into consideration the additional cost of providing free public education for particular groups or categories of pupils in meeting the special educational needs of such children as handicapped children, economically disadvantaged, those who need bilingual education, and gifted and talented children.

Limitations on Payments with Respect to Children on, or Residing with a Parent Employed on, Federal Property Described in Section 401(1)(C).

(e)(1) The Commissioner shall determine that part of the entitlement of each local educational agency, for each fiscal year ending prior to July 1, 1978, which is attributable to determinations under subsections (a) and (b) of section 3 of the number of children who resided on, or resided with a parent employed on, property which is described in section 403(1)(C).

(2) No allocation or payment shall be made under paragraph (2) of subsection (c) with respect to that part of any entitlement of any local educational agency which is determined with respect to such agency for such year under paragraph (1). The limitation in this paragraph shall not operate under the last two sentences of subsection (c) to prevent allocations and payments under such paragraph (2).

(3) The amount of the payment to any local educational agency which is determined with respect to such agency under paragraph (1) shall be used for special programs and projects designed to meet the special educational needs of educationally derived children from low income families.

Use of Funds Paid with Respect to Entitlements Increased Under Section 3(d)(2)(C)

(f) The amount of the payment to any local educational agency for any fiscal year which is attributable to a determination of children for increased payments under subparagraph (C) of section 3(d)(2) shall be used by such agency for special educational programs designed to meet the special educational needs of children with respect to whom such determination is made.

(20 U.S.C. 240) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title I, sec. 5, 64 Stat. 1106; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., secs. 6, 7, 67 Stat. 534; amended Aug. 3, 1956, C. 915, P.L. 949, 84th Cong., Title II, sec. 209, 70 Stat. 972; amended April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 27; amended Nov. 3, 1966, P.L. 89–750, Title II, secs. 202, 203, 80 Stat. 1211, 1212; amended Oct. 16, 1968, P.L. 90–576, Title III, sec. 305(a), 82 Stat. 1097; amended April 13, 1970, P.L. 91–230, Title II, sec. 203(c)(4), 84 Stat. 156; subsection 5(a)(2) added June 23, 1972, P.L. 92–318, sec. 411(c)(1), 86 Stat. 339; subsection 5(d)(3) added August 21, 1974, P.L. 93–380, sec. 304(c)(2), 88 Stat. 522, 523; amended August 21, 1974, P.L. 93–380, sec. 304(d)(2), 88 Stat. 523; rewritten August 21, 1974, P.L. 93–380, sec. 305(a)(2), 88 Stat. 529, 533.

CHILDREN FOR WHOM LOCAL AGENCIES ARE UNABLE TO PROVIDE EDUCATION

Sec. 6. (a) In the case of children who reside on Federal property—

(1) if no tax revenues of the State or any political subdivision thereof may be expended for the free public education of such children; or

(2) if it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children,

the Commissioner shall make such arrangements (other than arrangements with respect to the acquisition of land, the erection of facilities, interest, or debt service) as may be necessary to provide free public education for such children. Such arrangements to provide free public education may also be made for children of members of the Armed Forces on active duty, if the schools in which free public education is usually provided for such children are made unavailable to them as a result of official action by State or local governmental authority and it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children. To the maximum extent practicable, the local educational agency, or the head of the Federal department or agency, with which any arrangement is made under this section shall take such action as may be necessary to insure that the education provided pursuant to such arrangement is comparable to free public education provided for children in comparable communities in the State, or, in the case of education provided under this section outside the continental United States, Alaska, and Hawaii, comparable to free public education provided for children in the District of Columbia. For the purpose of providing such comparable education, personnel may be employed and the compensation, tenure, leave, hours of work, and other incidents of the employment relationship may be fixed without regard to the Civil Service Act and rules (5 U.S.C. 631 et seq.) and the following: (1) the Classification Act of 1949, as amended (5 U.S.C. 1071 et seq.); (2) the Annual and Sick Leave Act of 1951, as amended (5 U.S.C. 2061 et seq.); (3) the Federal Employees' Pay Act of 1945, as amended (5 U.S.C. 901 et seq.); (4) the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 et seq.); and (5) the Performance Rating Act of 1950, as amended (5 U.S.C. 2001 et seq.). In any case where education was being provided on January 1, 1955, or thereafter under an arrangement made under this subsection for children residing on an Army, Navy (including the Marine Corps), or Air Force installation, it shall be presumed, for the purposes of this subsection, that no local educational agency is able to provide suitable free public education for the children residing on such installation, until the Commissioner and the Secretary of the military department concerned jointly determine, after consultation with the appropriate State educational agency, that a local educational agency is able to do so.

(b) In any case in which the Commissioner makes such arrangements for the provision of free public education in facilities situated on Federal property, he may also make arrangements for providing free public education in such facilities for children residing in any area adjacent to such property with a parent who, during some portion of the fiscal year in which such education is provided, was employed on such property, but only if the Commissioner determines after consultation with the appropriate State educational agency (1) that the provision of such education is appropriate to carry out the purposes of this title, (2) that no local educational agency is able to provide suitable free public education for such children, and (3) in any case where in the judgment of the Commissioner the need for the provision of such education will not be temporary in duration, that the local educational agency of the school district in which such children reside, or the State educational agency, or both, will make reasonable tuition payments to the Commissioner for the education of such children. Such payments may be made either directly or through deductions from amounts to which the local educational agency is entitled under this title, or both, as may be agreed upon between such agency and the Commissioner. Any amounts paid to the Commissioner by a State or local educational agency pursuant to this section shall be covered into the Treasury as miscellaneous receipts.

(c) In any case in which the Commissioner makes arrangements under this section for the provision of free public education in facilities situated on Federal property in Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands, he may also make arrangements for providing free public education in such facilities for children residing with a parent employed by the United States, but only if the Commissioner determines after consultation with the appropriate State educational agency (1) that the provision of such education is appropriate to carry out the purposes of this title, and (2) that no local educational agency is able to provide suitable free public education for such children.

(d) The Commissioner may make an arrangement under this section only with a local educational agency or with the head of a Federal department or agency administering Federal property on which children reside who are to be provided education pursuant to such arrangement or, in the case of children to whom the second sentence of subsection (a) applies, with the head of any Federal department or agency having jurisdiction over the parents of some or all of such children. Except where the Commissioner makes arrangements pursuant to the second sentence of subsection (a), arrangements may be made under this section only for the provision of education in facilities of a local educational agency or in facilities situated on Federal property.

(e) To the maximum extent practicable, the Commissioner shall limit the total payments made pursuant to any such arrangement for educating children within the continental United States, Alaska, or Hawaii, to an amount per pupil which will not exceed the per pupil cost of free public education provided for children in comparable communities in the State. The Commissioner shall limit the total payments made pursuant to any such arrangement for educating children outside the continental United States, Alaska, or Hawaii, to an amount per pupil which will not exceed the amount he determines to be necessary to provide education comparable to the free public education provided for children in the District of Columbia.

(f) If no tax revenues of a State or of any political subdivision of the State may be expended for the free public education of children who reside on any Federal property within the State, or if no tax revenues of a State are allocated for the free public education of such children, then the property on which such children reside shall not be considered Federal property for the purposes of sections 3 and 4 of this Act. If a local educational agency refuses for any other reason to provide in any fiscal year free public education for children who reside on Federal property which is within the school district of that agency or which, in the determination of the Commissioner, would be within that school district if it were not Federal property, there shall be deducted from any amount to which the local educational agency is otherwise entitled for that year under section 3 or 4 an amount equal to (1) the amount (if any) by which the cost to the Commissioner of providing free public education for that year for each such child exceeds the local contribution rate of that agency for that year, multiplied by (2) the number of such children.

(20 U.S.C. 241) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., sec. 6, 64 Stat. 1107; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., sec. 8, 67 Stat. 535; amended Aug. 1, 1955, C. 446, P.L. 204, 84th Cong., 69 Stat. 433; amended Aug. 1, 1956, C. 852, P.L. 896, 84th Cong., sec. 10, 70 Stat. 909; amended May 6, 1960, P.L. 86–449, Title V, sec. 501, 74 Stat. 89; amended April 11, 1965, P.L. 89–10, Title I, secs. 2, 4(d)(2), 79 Stat. 27, 35; amended July 21, 1965, P.L. 89–77, sec. 2, 79 Stat. 243; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 204, 80 Stat. 1212; subsection (g) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401(f)(1) and superseded by sec. 422 of P.L. 90–247, Title IV, as amended (20 U.S.C. 1232a).

ASSISTANCE FOR CURRENT SCHOOL EXPENDITURES IN CASES OF CERTAIN DISASTERS

SEC. 7. (a) In any case in which—

(1)(A) the Director of the Office of Emergency Planning determines with respect to any local educational agency (including for the purpose of this section any other public agency which operates schools providing technical, vocational, or other special education to children of elementary or secondary school age) that such agency is located in whole or in part within an area which after August 30, 1965, and prior to July 1, 1978, has suffered a major disaster as the result of any flood, drought, fire, hurricane, earthquake, storm, or other catastrophe which, in the determination of the President pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a)), is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government; or

(B) the Commissioner determines with respect to any such agency that public elementary or secondary school facilities of such agency have been destroyed or seriously damaged prior to July 1, 1978, as a result of flood, hurricane, earthquake, storm, fire, or other catastrophe, except any such catastrophe caused by negligence or malicious action; and

(2) the Governor of the State in which such agency is located has certified the need for disaster assistance under this section, and has given assurance of expenditure of a reasonable amount of the funds of the government of such State, or of any political subdivision thereof, for the same or similar purposes with respect to such catastrophe;

and if the Commissioner determines with respect to such agency that—

(3) such agency is utilizing or will utilize all State and other financial assistance available to it for the purpose of meeting the cost of providing free public education for the children attending the schools of such agency, but as a result of such disaster it is unable to obtain sufficient funds for such purpose and requires an amount of additional assistance equal to at least $1,000 or one-half of 1 per centum of such agency's current operating expenditures during the fiscal year preceding the one in which such disaster occurred, whichever is less, and

(4) in the case of any such major disaster to the extent that the operation of private elementary and secondary schools in the school attendance area of such local educational agency has been disrupted or impaired by such disaster, such local educational

agency has made provisions for the conduct of educational programs under public auspices and administration in which children enrolled in such private elementary and secondary schools may attend and participate: *Provided*, That nothing contained in this Act shall be construed ~~to~~ authorize the making of any payment under this Act for religious worship or instruction,

the Commissioner may provide to such agency the additional assistance necessary to provide free public education to the children attending the schools of such agency, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest. Such additional assistance may be provided for a period not greater than a five-fiscal-year period beginning with the fiscal year in which it is determined pursuant to clause (1) of this subsection that such agency suffered a disaster. The amount so provided for any fiscal year shall not exceed the amount which the Commissioner determines to be necessary to enable such agency, with the State, local, and other Federal funds available to it for such purpose, to provide a level of education equivalent to that maintained in the schools of such agency prior to the occurrence of such disaster, taking into account the additional costs reasonably necessary to carry out the provisions of clause (4) of this subsection. The amount, if any, so provided for the second, third, and fourth fiscal years following the fiscal year in which it is so determined that such agency has suffered a disaster shall not exceed 75 per centum, 50 per centum, and 25 per centum, respectively, of the amount so provided for the first fiscal year following such determination.

(b) In addition to and apart from the funds provided under subsection (a), the Commissioner is authorized to provide to such agency an amount which he determines to be necessary to replace instructional and maintenance supplies, equipment, and materials (including textbooks) destroyed or seriously damaged as a result of such disaster, to make minor repairs, and to lease or otherwise provide (other than by acquisition of land or erection of facilities) school and cafeteria facilities needed to replace temporarily such facilities which have been made unavailable as a result of the disaster.

(c) There is hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out the provisions of this section. Pending such appropriation, the Commissioner is authorized to expend (without regard for subsections (a) and (e) of section 3679 of the Revised Statutes (31 U.S.C. 665)) from any funds appropriated to the Office of Education and at that time available to the Commissioner, such sums as may be necessary for providing immediate assistance under this section. Expenditures pursuant to the preceding sentence shall—

(1) be reported by the Commissioner to the Committees on Appropriations and Education and Labor of the House of Representatives and the Committees on Appropriations and Labor and Public Welfare of the Senate within thirty days of the expenditure;

(2) be reimbursed from the appropriations authorized by the first sentence of this subsection.

The report required to the Committees on Appropriations by clause (1) in the preceding sentence shall constitute a budget estimate within the meaning of section 201(a)(5) of the Act of June 10, 1921 (31 U.S.C. 11(a)(5)).

(d) No payment may be made to any local educational agency under this section except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with the regulations prescribed by him. In determining the order in which such applications shall be approved, the Commissioner shall consider the relative educational and financial needs of the local educational agencies which have submitted approvable applications.

(e) Amounts paid by the Commissioner to local educational agencies under this section may be paid in advance or by way of reimbursement and in such installments as the Commissioner may determine. Any funds paid to a local educational agency and not expended or otherwise used for the purposes for which paid shall be repaid to the Treasury of the United States.

(20 U.S.C. 241-1) Enacted Nov. 1, 1965, P.L. 89-313, sec. 2, 79 Stat. 1159; amended Jan. 2, 1968, P.L. 90-247, Title II, sec. 218, 81 Stat. 811; amended April 13, 1970, P.L. 91-230, Title II, sec. 201(c), 84 Stat. 154; amended August 21, 1974, P.L. 93-380, sec. 303(a)(3), 88 Stat. 522.

TITLE II—FINANCIAL ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF CHILDREN OF LOW-INCOME FAMILIES

* * * * * * *

(NOTE.—This title was added by Title I of the Elementary and Secondary Education Act of 1965, and is cited as such; see page 57.)

TITLE III—FINANCIAL ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF INDIAN CHILDREN

SHORT TITLE

SEC. 301. This title may be cited as the "Indian Elementary and Secondary School Assistance Act."

Enacted June 23, 1972, P.L. 92-318, sec. 411, 86 Stat. 334.

DECLARATION OF POLICY

SEC. 302. (a) In recognition of the special educational needs of Indian students in the United States, Congress hereby declares it to be the policy of the United States to provide financial assistance to local educational agencies to develop and carry out elementary and secondary school programs specially designed to meet these special educational needs.

(b) The Commissioner shall, in order to effectuate the policy set forth in subsection (a), carry out a program of making grants to local educational agencies which are entitled to payments under this title and which have submitted, and had approved, applications therefor, in accordance with the provisions of this title.

(20 U.S.C. 241aa) Enacted June 23, 1972, P.L. 92-318, sec. 411, 86 Stat. 334.

GRANTS TO LOCAL EDUCATIONAL AGENCIES

Sec. 303. (a)(1) For the purpose of computing the amount to which a local educational agency is entitled under this title for any fiscal year ending prior to July 1, 1978, the Commissioner shall determine the number of Indian children who were enrolled in the schools of a local educational agency, and for whom such agency provided free public education, during such fiscal year.

(2)(A) The amount of the grant to which a local educational agency is entitled under this title for any fiscal year shall be an amount equal to (i) the average per pupil expenditure for such agency (as determined under subparagraph (C)) multiplied by (ii) the sum of the number of children determined under paragraph (1).

(B) A local educational agency shall not be entitled to receive a grant under this title for any fiscal year unless the number of children under this subsection, with respect to such agency, is at least ten or constitutes at least 50 per centum of its total enrollment. The requirements of this subparagraph shall not apply to any such agencies serving Indian children in Alaska, California, and Oklahoma or located on, or in proximity to, an Indian reservation.

(C) For the purposes of this subsection, the average per pupil expenditure for a local educational agency shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, of all of the local educational agencies in the State in which such agency is located, plus any direct current expenditures by such State for the operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children who were in average daily enrollment for whom such agencies provided free public education during such preceding fiscal year.

(b) In addition to the sums appropriated for any fiscal year for grants to local educational agencies under this title, there is hereby authorized to be appropriated for any fiscal year an amount not in excess of 10 per centum of the amount appropriated for payments on the basis of entitlements computed under subsection (a) for that fiscal year, for the purpose of enabling the Commissioner to provide financial assistance to schools on or near reservations which are not local educational agencies or have not been local educational agencies for more than three years, in accordance with the appropriate provisions of this title.

(20 U.S.C. 241bb) Enacted June 23, 1972, P.L. 92-318, sec. 411, 86 Stat. 335; amended August 21, 1974, P.L. 93-380, sec. 631(b), 88 Stat. 585.

USES OF FEDERAL FUNDS

Sec. 304. Grants under this title may be used, in accordance with applications approved under section 305, for—

(1) planning for and taking other steps leading to the development of programs specifically designed to meet the special educational needs of Indian children, including pilot projects designed to test the effectiveness of plans so developed; and

(2) the establishment, maintenance, and operation of programs, including, in accordance with special regulations of the Commissioner, minor remodeling of classroom or other space used for such programs and acquisition of necessary equipment, specially designed to meet the special educational needs of Indian children.

(20 U.S.C. 241cc) Enacted June 23, 1972, P.L. 92–318, sec. 411, 86 Stat. 335, 336.

APPLICATIONS FOR GRANTS; CONDITIONS FOR APPROVAL

SEC. 305. (a) A grant under this title, except as provided in section 303(b), may be made only to a local educational agency or agencies, and only upon application to the Commissioner at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary. Such application shall—

(1) provide that the activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(2) set forth a program for carrying out the purposes of section 304, and provide for such methods of administration as are necessary for the proper and efficient operation of the program;

(3) in the case of an application for payments for planning, provide that (A) the planning was or will be directly related to programs or projects to be carried out under this title and has resulted, or is reasonably likely to result, in a program or project which will be carried out under this title, and (B) the planning funds are needed because of the innovative nature of the program or project or because the local educational agency lacks the resources necessary to plan adequately for programs and projects to be carried out under this title;

(4) provide that effective procedures, including provisions for appropriate objective measurement of educational achievement will be adopted for evaluating at least annually the effectiveness of the programs and projects in meeting the special educational needs of Indian students;

(5) set forth policies and procedures which assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the education of Indian children and in no case supplant such funds;

(6) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this title; and

(7) provide for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title and to determine the extent to which funds provided under this title have been effective in improving the educational opportunities of Indian students in the area served, and for keeping such record and for affording such access thereto as the Com-

missioner may find necessary to assure the correctness and verification of such reports.

(b) An application by a local educational agency or agencies for a grant under this title may be approved only if it is consistent with the applicable provisions of this title and—

(1) meets the requirements set forth in subsection (a);

(2) provides that the program or project for which application is made—

(A) will utilize the best available talents and resources (including persons from the Indian community) and will substantially increase the educational opportunities of Indian children in the area to be served by the applicant; and

(B) has been developed—

"(i) in open consultation with parents of Indian children, teachers, and, where applicable, secondary school students, including public hearings at which such persons have had a full opportunity to understand the program for which assistance is being sought and to offer recommendations thereon, and

"(ii) with the participation and approval of a committee composed of, and selected by, parents of children participating in the program for which assistance is sought, teachers, and, where applicable, secondary school students of which at least half the members shall be such parents;

(C) sets for such policies and procedures as will insure that the program for which assistance is sought will be operated and evaluated in consultation with, and the involvement of, parents of the children and representatives of the area to be served, including the committee established for the purposes of clause (2) (B) (ii).

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

(20 U.S.C. 241dd) Enacted June 23, 1972, P.L. 92–318, sec. 411, 86 Stat. 336, 337.

PAYMENTS

Sec. 306. (a) The Commissioner shall, subject to the provisions of section 307, from time to time pay to each local educational agency which has had an application approved under section 305, an amount equal to the amount expended by such agency in carrying out activities under such application.

(b)(1) No payments shall be made under this title for any fiscal year to any local educational agency in a State which has taken into consideration payments under this title in determining the eligibility of such local educational agency in that State for State aid, or the amount of that aid, with respect to the free public education of children during that year or the preceding fiscal year.

(2) No payments shall be made under this title to any local educational agency for any fiscal year unless the State educational agency

finds that the combined fiscal effort (as determined in accordance with regulations of the Commissioner) of that agency and the State with repect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year.

(20 U.S.C. 241ee) Enacted June 23, 1972, P.L. 92–318, sec. 141, 86 Stat. 337.

ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

SEC. 307. (a) If the sums appropriated for any fiscal year for making payments under this title are not sufficient to pay in full the total amounts which all local educational agencies are eligible to receive under this title for that fiscal year, the maximum amounts which all such agencies are eligible to receive under this title for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year, during which the first sentence of this subsection is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

(b) In the case of any fiscal year in which the maximum amounts for which local educational agencies are eligible have been reduced under the first sentence of subsection (a), and in which additional funds have not been made available to pay in full the total of such maximum amounts under the second sentence of such subsection, the Commissioner shall fix dates prior to which each local educational agency shall report to him on the amount of funds available to it, under the terms of section 306(a) and subsection (a) of this section, which it estimates, in accordance with regulations of the Commissioner, that it will expend under approved applications. The amounts so available to any local educational agency, or any amount which would be available to any other local education agency if it were to submit an approvable application therefor, which the Commissioner determines will not be used for the period of its availability, shall be available for allocation to those local educational agencies, in the manner provided in the second sentence of subsection (a), which the Commissioner determines will need additional funds to carry out approved applications, except that no local educational agency shall receive an amount under this sentence which, when added to the amount available to it under subsection (a), exceeds its entitlement under section 303.

(20 U.S.C. 241ff) Enacted June 23, 1972, P.L. 92–318, sec. 141, 86 Stat. 337, 338.

TITLE IV—GENERAL PROVISIONS

ADMINISTRATION

SEC. 401.[1]

(a) (Repealed).

(b) The Commissioner shall administer this Act, and he may make such regulations and perform such other functions as he finds necessary to carry out the provisions of this Act.

---

[1] Title IV and section 401 of the Act of Sept. 30, 1950, P.L. 81–874. References in this title to Title I of the Elementary and Secondary Education Act of 1965, are to its original designation on enactment, "Title II" of Public Law 81–874.

(c) The Commissioner shall include in his annual report to the Congress a full report of the administration of his functions under this Act, including a detailed statement of receipts and disbursements.

(20 U.S.C. 242) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title III, sec. 301, formerly sec. 7, 64 Stat. 1107; redesignated April 11, 1965, P.L. 80–10 Title I, sec. 3(c)(1), 79 Stat. 35; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 205, 80 Stat. 1212; subsection (a) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401(f)(1) and superseded by sec. 422 of P.L. 90–247, Title IV, as amended (20 U.S.C. 1232a); redesignated June 23, 1972, P.L. 92–318, sec. 411, 86 Stat. 334.

USE OF OTHER FEDERAL AGENCIES; TRANSFER AND AVAILABILITY OF APPROPRIATIONS

SEC. 402. (a) In carrying out his functions under this Act, the Commissioner is authorized, pursuant to proper agreement with any other Federal department or agency, to utilize the services and facilities of such department or agency, and, when he deems it necessary or appropriate, to delegate to any officer or employee thereof the function under section 6 of making arrangements for providing free public education. Payment to cover the cost of such utilization or of carrying out such delegated function shall be made either in advance or by way of reimbursement, as may be provided in such agreement.

(b) All Federal departments or agencies administering Federal property on which children reside, and all such departments or agencies principally responsible for Federal activities which may occasion assistance under title I, shall to the maximum extent practicable comply with requests of the Commissioner for information he may require in carrying out the purposes of title I.

(c) Such portion of the appropriations of any other department or agency for the fiscal year ending June 30, 1951, as the Director of the Bureau of the Budget determines to be available for the same purposes as title I, shall, except to the extent necessary to carry out during such year contracts made prior to the enactment of title I, be transferred to the Commissioner for use by him in carrying out such purposes.

(d) No appropriation to any department or agency of the United States, other than an appropriation to carry out this Act, shall be available for the employment of teaching personnel for the provision of free public education for children in any State or for payments to any local educational agency (directly or through the State educational agency) for free public education for children, except that nothing in the foregoing provisions of this subsection shall affect the availability of appropriations for the maintenance and operation of school facilities (1) on Federal property under the control of the Atomic Energy Commission or (2) by the Bureau of Indian Affairs, or the availability of appropriations for the making of payments directed to be made by section 91 of the Atomic Energy Community Act of 1955, as amended, or the availability of appropriations under the Act of April 16, 1934, commonly referred to as the Johnson-O'Malley Act (25 U.S.C., sec. 452).

(20 U.S.C. 243) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title III, sec. 302, formerly sec. 8, 64 Stat. 1108; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., sec. 9, 67 Stat. 536; amended Aug. 4, 1955, C. 543, C. 11, P.L. 221, 84th Cong., sec. 202, 69 Stat. 485; amended Aug. 12, 1955, C. 868, P.L. 382, 84th Cong., sec. 1, 69 Stat. 713; amended Aug. 3 ,1956, C. 915, P.L. 949, 84th Cong., Title II,

sec. 210, 70 Stat. 972; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 204, 72 Stat. 560; redesignated, and amended April 11, 1965, P.L. 89–10, Title I, sec. 3(c), 79 Stat. 35; amended April 13, 1970, P.L. 91–230, Title IV, sec. 401(c), 84 Stat. 173. Repealed provision superseded by sec. 411 of P.L. 91–247, Title IV, as amended (20 U.S.C. 1231(a)); redesignated June 23, 1972, P.L. 92–318, sec. 411, 86 Stat. 334.

DEFINITIONS

Sec. 403. For the purposes of this Act—

(1) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political subdivison of a State or by the District of Columbia. Such term includes (A) except for purposes of section 6, real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States, (B) for one year beyond the end of the fiscal year in which occurred the sale or transfer thereof by the United States, any property considered prior to such sale or transfer to be Federal property for the purposes of this Act, (C) any low-rent housing (whether or not owned by the United States) which is part of a low-rent housing project assisted under the United States Housing Act of 1937, section 516 of the Housing Act of 1949, or part B of title III of the Economic Opportunity Act of 1964, and (D) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State. Such term also includes any interest in Federal property (as defined in the foregoing provisions of this paragraph) under an easement, lease, license, permit, or other arrangement, as well as any improvements of any nature (other than pipelines or utility lines) on such property even though such interests or improvements are subject to taxation by a State or political subdivision of a State or by the District of Columbia. Notwithstanding the foregoing provisions of this paragraph, such term does not include any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal service. Real property which qualifies as Federal property under clause (A) of this paragraph shall not lose such qualification because it is used for a low-rent housing project.

(2) The term "child" except as used in title II, means any child who is within the age limits for which the applicable State provides free public education.

(3) The term "parent" includes a legal guardian or other person standing in loco parentis.

(4) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State, except that for the purposes of title II such term does not include any education provided beyond grade 12.

(5) The term "current expenditures" means expenditures for free public education, including expenditures for administration, instruc-

tion, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds granted under title II of this Act or title II or III of the Elementary and Secondary Education Act of 1965.

(6)(A) For purposes of title I, the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State. Such term includes any State agency which directly operates and maintains facilities for providing free public education.

(B) For purposes of title II, the term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school, and it also includes (except for purposes of sections 203(a)(2), 203(b), and 205(a)(1)) any State agency which is directly responsible for providing free public education for handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education) or for children in institutions for neglected or delinquent children.

(7) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(8) The term "State" means a State, Puerto Rico, Wake Island, Guam, the District of Columbia, American Samoa, or the Virgin Islands, and for purposes of title II, such term includes the Trust Territory of the Pacific Islands.

(9) The terms "Commissioner of Education" and "Commissioner" mean the United States Commissioner of Education.

(10) Average daily attendance shall be determined in accordance with State law, except that (A) the average daily attendance of children with respect to whom payment is to be made under section 3 or 4 or this Act shall be determined in accordance with regulations of the Commissioner, and (B) notwithstanding any other provision of this Act, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment

for the free public education of such child in a school situated in another school district, for purposes of this Act the attendance of such child at such school shall be held and considered (i) to be attendance at a school of the local educational agency so making or contracting to make such tuition payment, and (ii) not to be attendance at a school of the local educational agency receiving such tuition payment or entitled to receive such payment under the contract.

(11) The term "county" means those divisions of a State utilized by the Secretary of Commerce in compiling and reporting data regarding counties.

(12) The term "construction" includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(13) The term "school facilities" means classrooms and related facilities (including initial equipment) for free public education and interests in land (including site, grading, and improvements) on which such facilities are constructed, except that such term does not include those gymnasiums and similar facilities intended primarily for exhibitions for which admission is to be charged to the general public.

(14) The term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture. printed, published, and audio-visual instructional materials, and books. periodicals, documents, and other related materials.

(15) For the purpose of title II, the term "elementary school" means a day or residential school which provides elementary education, as determined under State law, and the term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(20 U.S.C. 244) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title III, sec. 303, formerly sec. 9, 64 Stat. 1108; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong. sec. 10, 67 Stat. 536; amended Aug. 1, 1956, P.L. 896, 84th Cong., sec. 10, 70 Stat. 909; amended Aug. 3, 1956, C. 915, P.L. 949, 84th Cong., Title II, sec. 211, 70 Stat. 972; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 205, 72 Stat. 560; amended June 25, 1959, P.L. 86–7[illegible] sec. 18(d)(4), 73 Stat. 145; amended July 12, 1960, P.L. 86–624, sec. 14(d)(4), 74 Stat. 414; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1102(b), 78 Stat. 1109; redesignated and amended April 11, 1965, P.L. 89–10, Title I, secs. 3(c)(1), 4(a)-(c), (d)(1), (e), 79 Stat. 35; amended Nov. 1, 1965, P.L. 89–313, sec. 6(c), 79 Stat. 1162; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 117(a)(1), (b) 80 Stat. 1198, 1199. Title II, sec. 206, 80 Stat. 1213; amended Jan. 2, 1968, P.L. 90–247, Title II, sec. 201, 81 Stat. 806; amended Apr. 13, 1970, P.L. 91–230, Title II, sec. 203(b), 84 Stat. 156. Amendments effective after June 30, 1970; redesignated June 23, 1972, P.L. 92–318 sec. 411, 86 Stat. 334; amended August 21, 1974, P.L. 93–380, sec. 304(d(1), 88 Stat. 523.

School Construction in Areas Affected by Federal Activities

(P.L. 815, 81st Congress)

AN ACT Relating to the construction of school facilities in areas affected by Federal activities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PURPOSE AND APPROPRIATION

Section 1. The purpose of this Act is to provide assistance for the construction of urgently needed minimum school facilities in school districts which have had substantial increases in school membership as a result of new or increased Federal activities. There are hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and each fiscal year thereafter, such sums as the Congress may determine to be necessary for such purpose. Sums so appropriated, other than sums appropriated for administration, shall remain available until expended.

(20 U.S.C. 631) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 522 as Title III, sec. 301, P.L. 815, 1st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 548.

PORTION OF APPROPRIATIONS AVAILABLE FOR PAYMENTS

Sec. 2. For each fiscal year the Commissioner shall determine the portion of the funds appropriated pursuant to section 1 which shall be available for carrying out the provisions of sections 9 and 10. The remainder of such funds shall be available for paying to local educational agencies the Federal share of the cost of projects for the construction of school facilities for which applications have been approved under section 6.

(20 U.S.C. 632) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 522 as Title III, sec. 302, P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 548.

ESTABLISHMENT OF PRIORITIES

Sec. 3. The Commissioner shall from time to time set dates by which applications for payments under this Act with respect to construction projects must be filed, except that the last such date with respect to applications for payments on account of children referred to in paragraphs (2) or (3) of section 5(a) shall be not later than June 30, 1978. The Commissioner shall by regulation prescribe an order of priority, based on relative urgency of need, to be followed in approving applications in the event the funds appropriated under this Act. and remaining available on an such date for payment to local educational agencies are less than the Federal share of the cost of the projects with respect to which applications have been filed prior to such date (and for which funds under this Act have not already been obligated). Only applications meeting the conditions for approval under this Act (other than section 6(b)(2)(C)) shall be considered applications for purposes of the preceding sentence.

(20 U.S.C. 633) Similar provisions enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 522 as Title III, sec. 303, P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title 1, sec. 101, 72 Stat. 548; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 101(a), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title III, sec. 301(a), formerly sec. 301(a), 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1101(a), 78 Stat. 1109; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 221, 80 Stat. 1213; amended Jan. 2, 1968, P.L. 90–247, Title III, sec. 301(d)(1), 81 Stat. 813; redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064; amended April 13, 1970, P.L. 91–230, Title II, sec. 201(a)(1), 84 Stat. 154, 156; amended August 21, 1974, P.L. 93–380, sec. 301(a)(1), 88 Stat. 521.

FEDERAL SHARE FOR ANY PROJECT

Sec. 4. Subject to section 5 (which imposes limitations on the total of the payments which may be made to any local educational agency), the Federal share of the cost of a project under this Act shall be equal to such cost, but in no case to exceed the cost, in the school district of the applicant, of constructing minimum school facilities, and in no case to exceed the cost in such district of constructing minimum school facilities for the estimated number of children who will be in the membership of the schools of such agency at the close of the second year following the increase period and who will otherwise be without such facilities at such time. For the purposes of the preceding sentence, the number of such children who will otherwise be without such facilities at such time shall be determined by reference to those facilities which (1) are built or under contract as of the date on which the Commissioner set, under section 3, the earliest date on or before which the application for such project was filed, or (2) as of the date the application for such project is approved, are included in a project the application for which has been approved under this Act.

(20 U.S.C. 634) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 522, as Title III, sec. 304, P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 549; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 224, 80 Stat. 1214.

LIMITATIONS ON TOTAL PAYMENTS TO ANY LOCAL EDUCATIONAL AGENCY

Sec. 5. (a) Subject to the limitations in subsections (c) and (d), the total of the payments to a local educational agency under this Act may not exceed the sum of the following:

(1) the estimated increase, since the base year, in the number of children residing on Federal property, multiplied by 95 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated; and

(2) the estimated increase, since the base year, in the number of children (A) residing with a parent employed on Federal property (situated in whole or in part in the same State as the school district of such agency or within reasonable commuting distance from such school district), or (B) who had a parent who was on active duty in the uniformed services (as defined in section 102 of the Career Compensation Act of 1949), multiplied by 50 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated; and

(3) the estimated increase, since the base year, in the number of children whose membership results directly from activities of the United States (carried on either directly or through a contractor), multiplied by 45 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated. For purposes of this paragraph, the Commissioner shall not consider as activities of the United States those activities which are carried on in connection with real property excluded from the definition of Federal property by the last sentence of paragraph (1) of section 15, but shall (if the local educational agency so elects pursuant to subsection (b)) consider as children whose membership results directly from activities of the United States children residing on Federal property or residing with a parent employed on Federal property; and

(4) for the fiscal year ending June 30, 1967, the estimated number of children, without regard to the limitation in subsection (d), whose membership in the schools of such local educational agency resulted from a change in residence from land transferred to Mexico as part of a relocation of an international boundary of the United States, multiplied by 50 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated; but if, by reason of any other provision of law, this clause is not considered in computing the maximum payments a local educational agency may receive for the fiscal year ending June 30, 1967, the additional amount such agency would have been entitled to receive shall be added to such agency's entitlement for the first fiscal year for which funds appropriated to carry out this Act may be used for such purpose.

In computing for any local educational agency the number of children in an increase under paragraph (1), (2), or (3), the estimated number of children described in such paragraph who will be in the membership of the schools of such agency at the close of the increase period shall be compared with the estimated number of such children in the average daily membership of the schools of such agency during the base year.

(b) If two or more of the paragraphs of subsection (a) apply to a child, the local educational agency shall elect which of such paragraphs shall apply to such child, except that, notwithstanding the election of a local educational agency to have paragraph (2) apply to a child instead of paragraph (1), the determination of the maximum amount for such agency under subsection (a) shall be made without regard to such election.

(c) A local educational agency shall not be eligible to have any amount included in its maximum by reason of paragraph (1), (2), or (3) of subsection (a) unless the increase in children referred to in such paragraph, prior to the application of the limitation in subsection (d) is at least twenty and—

(1) in the case of paragraph (1) or (2), is—

(A) equal to at least 10 per centum of the number of all children who were in the average daily membership of the schools of such agency during the base year, or

(B) at least one thousand five hundred, whichever is the lesser; and

(2) In the case of paragraph (3), is—

(A) equal to at least 10 per centum of the number of all children who were in the average daily membership of the schools of such agency during the base year, or

(B) at least two thousand five hundred,

whichever is the lesser: *Provided*, That no local educational agency shall be regarded as eligible under this paragraph (2) unless the Commissioner finds that the construction of additional minimum school facilities for the number of children in such increase will impose an undue financial burden on the taxing and borrowing authority of such agency.

(d) If (1) the estimated number of nonfederally connected children who will be in the membership of the schools of a local educational agency at the close of the increase period is less than (2) 106 per centum of the number of such children who were in the average daily membership of such agency during the base year, the total number of children counted for purposes of subsection (a) with respect to such agency shall be reduced by the difference between (1) and (2) hereof, except that the number of children counted for the purposes of paragraph (1) or (2) of subsection (a) shall not be reduced by more than one thousand five hundred and that the number of children counted for the purposes of paragraph (3) of subsection (a) shall not be reduced by more than two thousand five hundred. For purposes of this subsection, all children in the membership of a local educational agency shall be counted as nonfederally connected children except children whose membership in the base year and increase period was compared in computing an increase which meets the requirements of subsection (c).

(e) Notwithstanding the provisions of subsections (c), (d), and (f) of this section, whenever and to extent that, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this Act, the Commissioner may do any one or more of the following: (1) he may waive or reduce the minimum number requirement or any percentage requirement or requirements in subsection (c); (2) he may waive the requirement contained in the first sentence of subsection (d) or reduce the percentage specified in clause (2) of such sentence; or (3) he may waive or reduce the requirement contained in subsection (f).

(f) In determining under this section the total of the payments which may be made to a local educational agency on the basis of any application, the total number of children counted for purposes of paragraph (1), (2), or (3), as the case may be, of subsection (a) may not exceed—

(1) the number of children whose membership at the close of the increase period for the application is compared with membership in the base period for purposes of that paragraph, minus

(2) the number of such children whose membership at the close of the increase period was compared with membership in the base year for purposes of such paragraph under the last previous application, if any, of the agency on the basis of which any payment has been or may be made to that agency.

(20 U.S.C. 635) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 523, as Title III, sec. 305, P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 549; amended Nov. 1, 1965, P.L. 89–313, sec. 5, 79 Stat. 1161; amended Nov. 3, 1966, P.L. 89–750, Title II, secs. 222(a), (e), 223, 226, 227, 80 Stat. 1213–1215; amended Jan 2, 1968, P.L. 90–247, Title II, sec. 205(b), 207, 81 Stat. 809; amended April 13, 1970, P.L. 91–230, Title II, sec. 203(a)(3), 204, 84 Stat. 155, 157; amended May 21, 1970, P.L. 90–260, 84 Stat. 254; amended August 21, 1974, P.L. 93–380, sec. 302(a), 88 Stat. 521, 522.

APPLICATIONS

SEC. 6. (a) No payment may be made to any local educational agency under this Act except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with regulations prescribed by him.

(b)(1) Each application by a local educational agency shall set forth the project for the construction of school facilities for such agency with respect to which it is filed, and shall contain or be supported by—

(A) a description of the project and the site therefor, preliminary drawings of the school facilities to be constructed thereon, and such other information relating to the project as may reasonably be required by the Commissioner;

(B) assurance that such agency has or will have title to the site, or the right to construct upon such site school facilities as specified in the application and to maintain such school facilities on such site for a period of not less than twenty years after the completion of the construction;

(C) assurance that such agency has legal authority to undertake the construction of the project and to finance any non-Federal share of the cost thereof as proposed, and assurance that adequate funds to defray any such non-Federal share will be available when needed;

(D) assurance that such agency will cause work on the project to be commenced within a reasonable time and prosecuted to completion with reasonable diligence;

(F) assurance that the school facilities of such agency will be available to the children for whose education contributions are provided in this Act on the same terms, in accordance with the laws of the State in which the school district of such agency is situated, as they are available to other children in such school district; and

(G) assurance that such agency will from time to time prior to the completion of the project submit such report relating to the project as the Commissioner may reasonably require.

(2) The Commissioner shall approve any application if he finds (A) that the requirements of paragraph (1) have been met and that approval of the project would not result in payments in excess of those permitted by sections 4 and 5, (B) after consultation with the State and local educational agencies, that the project is not inconsistent with overall State plans for the construction of school facilities, and (C) that there are sufficient Federal funds available to pay the Federal share of the cost of such project and of all other projects for which

Federal funds have not already been obligated and applications for which, under section 3, have a higher priority: *Provided*, That the Commissioner may approve any application for payments under this Act at any time after it is filed and before any priority is established with respect thereto under section 3 if he determines that—

(i) on the basis of information in his possession, it is likely that the urgency of the need of the local educational agency is such that it would have a priority under section 3 which would qualify it for payments under this Act when such priorities are established, and

(ii) the number of children in the increase under section 5(a) is in large measure attributable to children who reside or will reside in housing newly constructed on Federal property.

(c) No application under this Act shall be disapproved in whole or in part until the Commissioner of Education has afforded the local educational agency reasonable notice and opportunity for hearing.

(20 U.S.C. 636) Provisions similar in part enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 524, as Title III, sec. 303 of P.L. 815 81st Cong., Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 551, as sec. 6, P.L. 815, 81st Cong.; subsection (b)(1)(E) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401(g)(4) and superseded by sec. 423 of P.L. 90–247, Title IV, as amended (20 U.S.C. 1232b).

PAYMENTS

Sec. 7. (a) Upon approving the application of any local educational agency under section 6, the Commissioner of Education shall pay to such agency an amount equal to 10 per centum of the Federal share of the cost of the project. After final drawings and specifications have been approved by the Commissioner of Education and the construction contract has been entered into, the Commissioner shall, in accordance with regulations prescribed by him and at such times and in such installments as may be reasonable, pay to such agency the remainder of the Federal share of the cost of the project.

(b) Any funds paid to a local educational agency under this Act and not expended for the purposes for which paid shall be repaid to the Treasury of the United States.

(20 U.S.C. 637) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 525, as Title III, sec. 307 of P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 552, as sec. 7, P.L. 815, 81st Cong.

ADDITIONAL PAYMENTS

Sec. 8. Not to exceed 10 per centum of the sums appropriated pursuant to this Act for any fiscal year (exclusive of any sums appropriated for administration) may be used by the Commissioner, under regulations prescribed by him, to make grants to local educational agencies where (1) the application of such agencies would be approved under this Act but for the agencies' inability, unless aided by such grants, to finance the non-Federal share of the cost of the projects set forth in their applications, or (2) although the applications of such agencies have been approved, the projects covered by such applications could not, without such grants, be completed, because of flood, fire, or similar emergency affecting either the work on the projects or the agencies' ability to finance the non-Federal share of the cost of the projects. Such grants shall be in addition to the payments otherwise provided under this Act, shall be made to those local educational agencies whose need for additional aid is the most urgent and acute, and insofar as practicable shall be made in the same manner and upon the same terms and conditions as such other payments.

(20 U.S.C. 638) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 525, as Title III, sec. 308(a), P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85-620, Title I, sec. 101, 72 Stat. 552, as sec. 8 of P.L. 815, 81st Cong.

WHERE EFFECT OF FEDERAL ACTIVITIES WILL BE TEMPORARY

SEC. 9. Notwithstanding the preceding provisions of this Act, whenever the Commissioner determines that the membership of some or all of the children, who may be included in computing under section 5 the maximum on the total of the payments for any local educational agency, will be of temporary duration only, such membership shall not be included in computing such maximum. Instead, the Commissioner may make available to such agency such temporary school facilities as may be necessary to take care of such membership; or he may, where the local educational agency gives assurance that at least minimum school facilities will be provided for such children, pay (on such terms and conditions as he deems appropriate to carry out the purposes of this Act) to such agency for use in constructing school facilities an amount equal to the amount which he estimates would be necessary to make available such temporary facilities. In no case, however, may the amount so paid exceed the cost, in the school district of such agency of constructing minimum school facilities for such children. The Commissioner may transfer to such agency or its successor all the right, title, and interest of the United States in and to any temporary facilities made available to such agency under this section (or section 309 of this Act as in effect January 1, 1958); any such transfer shall be without charge, but may be made on such other terms and conditions, and at such time as the Commissioner deems appropriate to carry out the purposes of this Act.

(20 U.S.C. 639) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 525, as Title III, sec. 309 of P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85-620, Title I, sec. 101, 72 Stat. 553, as sec. 9 of P.L. 815, 81st Cong.

CHILDREN FOR WHOM LOCAL AGENCIES ARE UNABLE TO PROVIDE EDUCATION

SEC. 10. (a) In the case of children who it is estimated by the Commissioner in any fiscal year will reside on Federal property at the end of the next fiscal year—

(1) if no tax revenues of the State or any political subdivision thereof may be expended for the free public education of such children; or

(2) if it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children,

the Commissioner shall make arrangements for constructing or otherwise providing the minimum school facilities necessary for the education of such children. In any case in which the Commissioner makes arrangements under this section for constructing or otherwise providing minimum school facilities situated on Federal property in Puerto Rico, Wake Island, Guam, or the Virgin Islands, he may also include minimum school facilities necessary for the education of children residing with a parent employed by the United States though not residing on Federal property, but only if the Commissioner determines, after consultation with the appropriate State educational agency, (1) that the construction or provision of such facilities is appropriate to carry out the purposes of this Act, (2) that no local educational agency is able to provide suitable free public education for such children, and (3) that English is not the primary language of instruction in schools in the locality. Such arrangements may also be made to provide, on a temporary basis, minimum school facilities for children of members of the Armed Forces on active duty, if the schools in which free public education is usually provided for such children are made unavailable to them as a result of official action by State or local governmental authority and it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children. To the maximum extent practicable school facilities provided under this section shall be comparable to minimum school facilities provided for children in comparable communities in the State. This section shall not apply (A) to children who reside on Federal property under the control of the Atomic Energy Commission, and (B) to Indian children attending federally operated Indian schools. Whenever it is necessary for the Commissioner to provide school facilities for children residing on Federal property under this section, the membership of such children may not be included in computing under section 5 the maximum on the total of the payments for any local educational agency.

(b) When the Commissioner determines it is in the interest of the Federal Government to do so, he may transfer to the appropriate local educational agency all the right, title, and interest of the United States in and to any facilities provided under this section (or sections 204 or 310 of this Act as in effect January 1, 1958). Any such transfer shall be without charge, but may be made on such other terms and conditions, and at such time as the Commissioner deems appropriate to carry out the purposes of this Act.

(c) If no tax revenues of a State or of any political subdivision of the State may be expended for the free public education of children who reside on any Federal property within the State, or if no tax revenues of a State are allocated for the free public education of such children, then the property on which such children reside shall not be considered Federal property for the purposes of section 5 of this Act.

(20 U.S.C. 640) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 526, as Title III, sec. 310 of P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85-620, Title I, sec. 101, 72 Stat. 553 as sec. 10 of P.L. 815, 81st Cong.; amended May 6, 1960, P.L. 86-449, Title V, sec. 502, 74 Stat. 89; amended July 21, 1965, P.L. 89-77, sec. 1, 79 Stat. 243; amended Nov. 3, 1966, P.L. 89-750, Title II, secs. 228, 229, 80 Stat. 1215; amended Jan. 2, 1968, P.L. 90-247, Title II, sec. 202, 81 Stat. 807.

WITHHOLDING OF PAYMENTS

SEC. 11. (a) Whenever the Commissioner of Education, after reasonable notice and opportunity for hearing to a local educational agency, finds (1) that there is a substantial failure to comply with the drawings and specifications for the project, (2) that any funds paid to a local educational agency under this Act have been diverted from the purposes for which paid, or (3) that any assurance given in an application is not being or cannot be carried out, the Commissioner may forthwith notify such agency that no further payment will be made under this Act with respect to such agency until there is no longer any failure to comply or the diversion or default has been corrected or, if compliance or correction is impossible, until such agency repays or arranges for the repayment of Federal moneys which have been diverted or improperly expended.

(b) The final refusal of the Commissioner to approve part or all of any application under this Act, and the Commissioner's final action under subsection (a) of this section, shall be subject to judicial review on the record, in the United States court of appeals for the circuit in which the local educational agency is located, in accordance with the provisions of the Administrative Procedure Act.

(20 U.S.C. 641) Provision similar to subsection (a) enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 526 as Title III, sec. 311 of P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85-620, Title I, sec. 101, 72 Stat. 554 as sec. 11 of P.L. 815, 81st Cong.

ADMINISTRATION

SEC. 12.

(b) The Commissioner of Education shall administer this Act, and he may make such regulations and perform such other functions as he finds necesary to carry out the provisions of this Act.

(c) The Commisioner shall include in his annual report to the Congress a full report of the administration of his functions under this Act, including a detailed statement of receipts and disbursements.

(20 U.S.C. 642) Similar provision enacted Sept. 23, 1950, P.L. 815, 81st Cong., Title II, sec. 208, 64 Stat. 975. Enacted Aug. 12, 1958, P.L. 85-620, Title I, sec. 101, 72 Stat. 554, as sec. 12 of P.L. 815, 81st Cong.; subsections (a) and (d) repealed April 13, 1970, P.L. 91-230, Title IV, sec. 401 (f)(3) and (g)(4), 84 Stat. 173, 174, and superseded by secs. 422 and 423 of P.L. 90-247, as amended (20 U.S.C. 1232a, 1232b).

USE OF OTHER FEDERAL AGENCIES: TRANSFER AND AVAILABILITY OF APPROPRIATIONS

SEC. 13.

(b) All Federal departments or agencies administering Federal property on which children reside, and all such departments or agencies principally responsible for Federal activities which may give rise to a need for the construction of school facilities, shall to the maximum extent practicable, comply with requests of the Commissioner for information he may require in carrying out the purposes of this Act.

(c) No appropriation to any department or agency of the United States, other than an appropriation to carry out this Act, shall be available for the same purpose as this Act; except that nothing in this subsection shall affect the availability of appropriations authorized, prior to September 23, 1950, for the construction of school facilities to be attended by Indian children, or appropriations (1) for the construction of school facilities on Federal property under the control of the Atomic Energy Commission, (2) for the construction of school facilities which are to be federally operated for Indian children, or (3) for the construction of school facilities under the Alaska Public Works Act, approved August 24, 1949.

(20 U.S.C. 643) Similar provisions enacted Sept. 23, 1950, P.L. 815, 81st Cong., Title I, sec. 105, and Title II, sec. 209, 64 Stat. 969, 975. Enacted Aug. 12, 1958, P.L. 85-620, Title I, sec. 101, 72 Stat. 554, as sec. 13 of P.L. 815, 81st Cong.; subsection (a) repealed April 13, 1970, P.L. 91-230, Title IV, sec. 401(c)(3), 84 Stat. 173, and superseded by sec. 411, P.L. 90-247, Title IV, as amended (20 U.S.C. 1231).

SCHOOL CONSTRUCTION ASSISTANCE IN OTHER FEDERALLY AFFECTED AREAS

SEC. 14. (a) If the Commissioner determines with respect to any local educational agency that—

(1) such agency is providing or, upon completion of the school facilities for which provision is made herein, will provide free public education for children who reside on Indian lands, and whose membership in the schools of such agency has not formed and will not form the basis for payments under other provisions of this Act, and that the total number of such children represents a substantial percentage of the total number of children for whom such agency provides free public education, or that such Indian lands constitute a substantial part of the school district of such local educational agency, or that the total number of such children who reside on Indian lands located outside the school district of such agency equals or exceeds 100;

(2) the immunity of such Indian lands to taxation by such agency has created a substantial and continuing impairment of its ability to finance needed school facilities;

(3) such agency is making a reasonable tax effort and is exercising due diligence in availing itself of State and other financial assistance available for the purpose; and

(4) such agency does not have sufficient funds available to it from other Federal, State, and local sources to provide the minimum school facilities required for free public education of a substantial percentage of the children in the membership of its schools,

he may provide the additional assistance necessary to enable such agency to provide such facilities, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest; but such additional assistance may not exceed the portion of the cost of such facilities which the Commissioner estimates has not been, and is not to be, recovered by the local educational agency from other sources, including payments by the United States under any other provisions of this Act or any other law. Notwithstanding the provisions of this subsection, the Commisisoner may waive the percentage requirement in paragraph (1) whenever, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this section. Assistance may be furnished under this subsection without regard to paragraph (2) (but subject to the other provisions of this subsection and subsection (e)) to any local educational agency which provides free public education for children who reside on Indian lands located outside its school district. For purposes of this subsection "Indian lands" means Indian reservations or other real property referred to in the second sentence of section 15(1).

(b) If the Commissioner determines with respect to any local educational agency that—

(1) such agency is providing or, upon completion of the school facilities for which provision is made herein, will provide free public education for children who reside on Indian lands, and whose membership in the schools of such agency has not formed and will not form the basis for payments under other provisions of this Act, and that the total number of such children represents a substantial percentage of the total number of children for whom such agency provides free public education, or that such Indian lands constitute a substantial part of the school district of such local educational agency, or that the total number of such children who reside on Indian lands located outside the school district of such agency equals or exceeds one hundred; and

(2) the immunity of such Indian lands to taxation by such agency has created a substantial and continuing impairment of its ability to finance needed school facilities;

he may, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest, provide the additional assistance necessary to enable such agency to provide the minimum school facilities required for free public education of children in the membership of the schools of such agency who reside on Indian lands; but such additional assistance may not exceed the portion of the cost of constructing such facilities which the Commissioner estimates has not been, and is not to be, recovered by the local educational agency from other sources, including payments by the United States under any other provisions of this Act or any other law. Notwithstanding the provisions of this subsection, the Commissioner may waive the percentage requirement in paragraph (1) whenever, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this section. Assistance may be furnished under this subsection without regard to paragraph (2) (but subject to the other provisions of this subsection and subsection (e)) to any local educational agency which provides free public education for children who reside on Indian lands located outside its school district. For purposes of this subsection "Indian lands" means Indian reservations or other real property referred to in the second sentence of section 15(1).

(d)[1] There are hereby authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this section. There are also authorized to be appropriated such sums as may be necessary for administration of such provisions. Amounts so appropriated, other than amounts appropriated for administration, shall remain available until expended.

---

[1] Apparent error in P.L. 91–230, sec. 205. Subsection (c) should precede subsection (d) in this section.

(c) If the Commissioner determines with respect to any local educational agency—

(1) that (A) such agency is providing or, upon completion of the school facilities for which provision is made herein, will provide, free public education for children who are inadequately housed by minimum school facilities and whose membership in the schools of such agency has not formed and will not form the basis for payments under other provisions of this Act, and (B) the total number of such children represents a substantial percentage of the total number of children for whom such agency provides free public education, and (C) Federal property constitutes a substantial part of the school district of such agency,

(2) that the immunity of such Federal property from taxation by such agency has created a substantial and continuing impairment of such agency's ability to finance needed school facilities,

(3) that such agency is making a reasonable tax effort and is exercising due diligence in availing itself of State and other financial assistance for the purpose, and

(4) that such agency does not have sufficient funds available to it from other Federal, State, and local sources to provide the minimum school facilities required for free public education of a substantial percentage of the children in the membership of its schools,

he may provide the assistance necessary to enable such agency to provide minimum school facilities for children in the membership of the schools of such agency whom the Commissioner finds to be inadequately housed, upon such terms and conditions, and in such amounts (subject to the applicable provisions of this section) as the Commissioner may consider to be in the public interest. Such assistance may not exceed the portion of the cost of such facilities which the Commissioner estimates has not been, and is not to be, recovered by the local educational agency from other sources, including payments by the United States under any other provisions of this Act or any other law. Notwithstanding the provisions of this subsection, the Commissioner may waive the percentage requirement in paragraph (1) whenever, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this subsection.

(e) No payment may be made to any local educational agency under subsection (a) or (b) except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with regulations prescribed by him, and which meets the requirements of section 6(b)(1). In determining the order in which such applications shall be approved, the Commissioner shall consider the relative educational and financial needs of the local educational agencies which have submitted approvable applications and the nature and extent of the Federal responsibility. No payment may be made under subsection (a) or (b) unless the Commissioner finds, after consultation with the State and local educational agencies, that the project or projects with respect to which it is made are not inconsistent with overall State plans for the construction of school facilities. All determinations made by the Commissioner under this section shall be made only after consultation with the appropriate State educational agency and the local educational agency.

(f) Amounts paid by the Commissioner to local educational agencies under subsection (a) or (b) may be paid in advance of, or by way of reimbursement for, work performed or purchases made pursuant to the agreement with the Commissioner under this section, and may be paid in such installments as the Commissioner may determine. Any funds paid to a local educational agency and not expended or otherwise used for the purposes for which paid shall be repaid to the Treasury of the United States.

(g) None of the provisions of sections 1 to 10, both inclusive, other than section 6(b)(1), shall apply with respect to determinations made under this section.

(h) It is hereby declared to be the policy of the Congress that the provision of assistance pursuant to subsections (a) and (b) of this section shall be given a priority at least equal to that given to payments made pursuant to section 10 of this Act.

(20 U.S.C. 644) Similar provisions enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 526, as Title IV, sec. 401 of P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 555, as sec. 14 of P.L. 815, 81st Cong.; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 101(b), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title I, sec. 301(b), formerly sec. 31(b), 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1101(b), 78 Stat. 1109; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 225, 80 Stat. 1214; amended Jan. 2, 1968, P.L. 90–247, Title II, sec. 208, 81 Stat. 807; redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064; amended April 13, 1970, P.L. 91–230, Title II, secs. 205(a) and 206, 84 Stat. 158, 159.

DEFINITIONS

Sec. 15. For the purposes of this Act—

(1) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political subdivision of a State or by the District of Columbia. Except for the purposes of section 10, such term includes (A) real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States, any low-rent housing (whether or not owned by the United States) which is part of a low-rent housing project assisted under the United States Housing Act of 1937, and (C) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State. Such term also includes any interest in Federal property (as defined in the foregoing provisions of this paragraph) under an easement, lease, license, permit, or other arrangement, as well as any improvements of any nature (other than pipelines or utility lines) on such property even though such interests or improvements are subject to taxation by a State or political subdivision of a State or by the District of Columbia. Notwithstanding the foregoing provisions of this para-

graph, such term does not include (A) any real property used for a labor supply center, labor home, or labor camp for migratory farm workers and (B) any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services.

(2) The term "child" means any child who is within the age limits for which the applicable State provides free public education.

(3) The term "parent" includes a legal guardian or other person standing in loco parentis.

(4) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State.

(5) The membership of schools shall be determined in accordance with State law or, in the absence of State law governing such a determination, in accordance with regulations of the Commissioner; except that, notwithstanding any other provision of this Act, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this Act the membership of such child, shall be held and considered—

(A) if the two local educational agencies concerned so agree, and if such agreement is approved by the Commissioner, as membership of a school of the local educational agency receiving such tuition payment;

(B) in the absence of any such approved agreement, as membership of a school of the local educational agency so making of contracting to make such tuition payment.

In any determination of membership of schools, children who are not provided free public education (as defined in paragraph (4)) shall not be counted.

(6) The average per pupil cost of constructing minimum school facilities in the State in which the school district of a local educational agency is situated shall be determined by the Commissioner of Education on the basis of the contract cost per square food under contracts for the construction of school facilities (exclusive of costs of site improvements, equipment, and architectural, engineering, and legal fees) entered into in the State for the second year of the four year increase period designated in the application, increased by a percentage estimated by the Commissioner to represent additional costs for site improvements, equipment, and architectural, engineering, and legal fees, and multiplied by a factor estimated by the Commissioner to represent the area needed per pupil in minimum school facilities. If the Commissioner finds that the information available for the State concerned for such preceding fiscal year is inadequate or not sufficiently representative, he shall determine such cost on the basis of such information as he has available and after consultation with the State educational agency. The cost of constructing minimum school facilities in the school district of a local educational agency shall be determined by the Commissioner, after consultation with the State and local educational agencies, on the basis of such information as

may be contained in the application of such local educational agency and such other information as he may obtain.

(7) Estimates of membership, and all other determinations with respect to eligibility and maximum amount of payment, shall be made as of the time of the approval of the application for which made, and shall be made on the basis of the best information available at the time of such approval.

(8) The terms "construct", "constructing", and "construction" include the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(9) The term "school facilities" includes classrooms and related facilities; and initial equipment, machinery, and utilities necessary or appropriate for school purposes. Such term does not include athletic stadiums, or structures or facilities intended primarily for athletic exhibitions, contents, or games or other events for which admission is to be charged to the general public. Except as used in sections 9 and 10, such term does not include interests in land and off-site improvements.

(10) Whether or not school facilities are minimum school facilities shall be determined by the Commissioner, after consultation with the State and local educational agencies, in accordance with regulations prescribed by him. Such regulations shall (A) require the local educational agency concerned to give due consideration to excellence of architecture and design, (B) provide that no facility shall be disqualified as a minimum school facility because of the inclusion of works of art in the plans therefor if the cost of such works of art does not exceed 1 per centum of the cost of the project, and (C) require compliance with such standards as the Secretary may prescribe or approve in order to insure that facilities constructed with the use of Federal funds under this Act shall be to the extent appropriate in view of the uses to be made of the facilities, accessible to and usable by handicapped persons.

(11) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State. Such term includes any State agency which directly operates and maintains facilities for providing free public education or which has responsibility for the provision of such facilities.

(12) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(13) The term "State" means a State, Puerto Rico, Guam, the District of Columbia, American Samoa, the Virgin Islands, or Wake Island.

(14) The terms "Commissioner of Education" and "Commissioner" mean the United States Commissioner of Education.

(15) The term "base year" means the third or fourth regular school year preceding the fiscal year in which an application was filed under this Act, as may be designated in the application, except that in the case of an application based on children referred to in paragraph (2) or (3) of section 5(a), the base year shall in no event be later than the regular school year 1973–1974; and

(16) The term "increase period" means the period of four consecutive regular school years immediately following such base year.

(20 U.S.C. 645) Similar provisions enacted Sept. 23, 1950, P.L. 815, 81st Cong., Title II, sec. 210, 64 Stat. 976. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 556, as sec. 15 of P.L. 815, 81st Cong.; amended June 25, 1959, P.L. 86–70, sec. 18(c), 73 Stat. 144; amended July 12, 1960, P.L. 86–624, sec. 14(c), 74 Stat. 414; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 101 (c), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title III, sec. 301(c), formerly sec. 31(c), 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665. Title XI, sec. 1101(c), (d), 78 Stat. 1109; amended Nov. 3, 1966, P.L. 89–750, Title II, secs. 222 (b), (c), (d), 230–232, 80 Stat. 1213–1216; amended Jan. 2, 1968, P.L. 90–247, Titles II, III, secs. 201, 301 (d) (2) 81 Stat. 806, 813; redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064; amended April 13, 1970, P.L. 91–230, Title II, secs. 201(a)(2), 203(a)(1), (2), 84 Stat. 154, 155; amended August 21, 1974, P.L. 93–380, sec. 301(a)(2), 88 Stat. 521.

SCHOOL CONSTRUCTION ASSISTANCE IN CASES OF CERTAIN DISASTERS

SEC. 16. (a) In any case in which—

(1)(A) the Director of the Office of Emergency Planning determines with respect to any local educational agency (including for the purpose of this section any other public agency which operates schools providing technical, vocational, or other special education to children of elementary or secondary school age) that such agency is located in whole or in part within an area which, after August 30, 1965, and prior to July 1, 1978, has suffered a major disaster as the result of any flood, drought, fire, hurricane, earthquake, storm, or other catastrophe which, in the determination of the President pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a)), is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government; or

(B) the Commissioner determines with respect to any such agency that public elementary or secondary school facilities (or, in the case of a public agency other than a local educational agency, school facilities providing technical, vocational, or other special education to children of elementary or secondary school age) of such agency have been destroyed or seriously damaged as a result of flood, hurricane, earthquake, storm, fire, or other catastrophe, except any such catastrophe caused by negligence or malicious action; and

(2) the Governor of the State in which such agency is located has certified the need for disaster assistance under this section, and has given assurance of expenditure of a reasonable amount of the funds of the government of such State, or of any political subdivision thereof, for the same or similar purposes with respect to such catastrophe;

and if the Commissioner determines with respect to such agency that—

(3) as a result of such major disaster, (A) public elementary or secondary school facilities of such agency (or, in the case of a public agency other than a local educational agency, school facilities providing technical, vocational, or other special education to children of elementary or secondary school-age) have been destroyed or seriously damaged, or (B) private elementary or secondary school facilities serving children who reside in the area

served by such agency have been destroyed and will not be replaced, thereby increasing the need of such agency for school facilities;

(4) such agency is utilizing or will utilize all State and other financial assistance available for the replacement or restoration of such school facilities;

(5) such agency does not have sufficient funds available to it from State, local, and other Federal sources (including funds available under other provisions of this Act), and from the proceeds of insurance on such school facilities, and requires an amount of additional assistance equal to at least $1,000 or one-half of 1 per centum of such agency's current operating expenditures during the fiscal year preceding the one in which such disaster occurred, whichever is less, to provide the minimum school facilities needed (A) for the restoration or replacement of the school facilities of such agency so destroyed or seriously damaged or (B) to serve, in facilities of such agency, children who but for the destruction of the private facilities referred to in clause (3) (B) would be served by such private facilities; and

(6) in the case of any such major disaster, to the extent that the operation of private elementary and secondary schools in the school attendance area of the local educational agency has been disrupted or impaired by such disaster, such local educational agency has complied with the provisions of section 7(a)(4) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), with respect to provisions for the conduct of educational programs under public auspices and administration in which children enrolled in such private elementary and secondary schools may attend and participate,

the Commissioner may provide the additional assistance necessary to enable such agency to provide such facilities, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest; but such additional assistance, plus the amount which he determines to be available from State, local, and other Federal sources (including funds available under other provisions of this Act), and from the proceeds of insurance, may not exceed the cost of construction incident to the restoration or replacement of the school facilities destroyed or damaged as a result of the disaster. For the purpose of the preceding sentence, the phrase "cost of construction incident to the restoration or replacement of the school facilities" includes such additional amounts as the Commissioner may approve in order to assure that the facilities, as restored or replaced, will afford appropriate protection against personal injuries resulting from a disaster. In all cases determined pursuant to clause (1)(B) of this subsection, and in any other case deemed appropriate by the Commissioner, such assistance shall be in the form of a repayable advance subject to such terms and conditions as he considers to be in the public interest.

(b) There are hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out the provisions of this section. Pending such appropriation, the Commissioner may expend (without regard to subsections (a) and (e) of section 3679 of the Revised Statutes (31 U.S.C. 665)) from any funds heretofore or hereafter appropriated for expenditure in accordance with other sections of this Act such sums as may be necessary for immediately providing assistance under this section, such appropriations to be reimbursed from the appropriations authorized by this subsection when made.

(c) No payment may be made to any local educational agency under subsection (a) except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with regulations prescribed by him, and which meets the requirements of section 6(b)(1). In determining the order in which such applications shall be approved, the Commissioner shall consider the relative educational and financial needs of the local educational agencies which have submitted approvable applications. No payment may be made under subsection (a) unless the Commissioner finds, after consultation with the State and local educational agencies, that the project or projects with respect to which it is made are not inconsistent with overall State plans for the construction of school facilities. All determinations made by the Commissioner under this section shall be made only after consultation with the appropriate State educational agency and the local educational agency.

(d) Amounts paid by the Commissioner to local educational agencies under subsection (a) may be paid in advance or by way of reimbursement and in such installments as the Commissioner may determine. Any funds paid to a local educational agency and not expended or otherwise used for the purposes for which paid shall be repaid to the Treasury of the United States.

(e) None of the provisions of sections 1 to 10, both inclusive, other than section 6(b)(1), shall apply with respect to this section.

(20 U.S.C. 646) Enacted Nov. 1, 1965, P.L. 89–313, sec. 1, 79 Stat. 1158; amended Jan. 2, 1968, P.L. 90–247, Title II, sec. 217, 81 Stat. 810; amended April 13, 1970, P.L. 91–230, Title II, sec. 201(c), 84 Stat. 154; amended August 21, 1974, P.L. 93–380, sec. 301(b), 88 Stat. 521; amended August 21, 1974, P.L. 93–380, sec. 302(b), 88 Stat. 522.

SPECIAL BASE CLOSING PROVISION

SEC. 17. In determining the payment to be made to a local educational agency under this Act the Commissioner shall disregard the announcement, made November 19, 1964, of a decrease in or cessation of Federal activities in certain areas, and shall carry out such Act as if such announcement had not been made.

(20 U.S.C. 647) Enacted Nov. 1, 1965, P.L. 89–313, sec. 3, 79 Stat. 1161.

NATIONAL DEFENSE EDUCATION ACT OF 1958

Titles I, III, V–A, and X

(P.L. 85–864)

AN ACT To strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs to meet critical national needs; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections according to the following table of contents, may be cited as the "National Defense Education Act of 1958".

TITLE I—GENERAL PROVISIONS

FINDINGS AND DECLARATION OF POLICY

Sec. 101. The Congress hereby finds and declares that the security of the Nation requires the fullest development of the mental resources and technical skills of its young men and women. The present emergency demands that additional and more adequate educational opportunities be made available. The defense of this Nation depends upon the mastery of modern techniques developed from complex scientific principles. It depends as well upon the discovery and development of new principles, new techniques, and new knowledge.

We must increase our efforts to identify and educate more of the talent of our Nation. This requires programs that will give assurance that no student of ability will be denied an opportunity for higher education because of financial need; will correct as rapidly as possible the existing imbalances in our educational programs.

The Congress reaffirms the principle and declares that the States and local communities have and must retain control over and primary responsibility for public education. The national interest requires, however, that the Federal Government give assistance to education for programs which are important to our defense.

To meet the present educational emergency requires additional effort at all levels of government. It is therefore the purpose of this Act to provide substantial assistance in various forms to individuals, and to States and their subdivisions, in order to insure trained manpower of sufficient quality and quantity to meet the national defense needs of the United States.

(20 U.S.C. 401) Enacted Sept. 2, 1958, P.L. 85–864, Title I, sec. 101, 72 Stat. 1581; amended Oct. 16, 1964, P.L. 88–665, Title I, sec. 101, 78 Stat. 1100.

Section 102 repealed by sec. 401(f)(2) of Title IV of P.L. 91–230 and replaced by sec. 422 of P.L. 90–247 as amended by sec. 401(a)(10) of Title IV, P.L. 91–230 (20 U.S.C. 1232a).

DEFINITIONS

Sec. 103. As used in this Act—

(a) The term "State" means a State, Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands, and, for the purposes of titles II, III, and V, the Trust Territory of the Pacific Islands, except that as used in sections 302 and 502, such term does not include Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose or, if not so accredited, (A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B) is an institution whose credits are accepted on transfer by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. For purposes of title II, such term includes any school of nursing as defined in subsection (1) of this section; any proprietary institution of higher education (as defined in section 461(b) of the Higher Education Act of 1965) which includes in its agreement under section 204 of such title such terms and conditions as the Commissioner determines to be necessary to insure that the availability of assistance to students at the school under such title has not, and will not, increase tuition, fees, or other charges to such students; and any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provisions of clauses (1), (2), (4), and (5). If the Commissioner determines that a particular category of such schools does not meet the requirements of clause (5) (but meets the requirements of clause (4)) because there is no nationally recognized accrediting agency or association qualified to accredit schools in such category, he shall, pending the establishment of such an accrediting agency or association, appoint an advisory committee, composed of persons specially qualified to evaluate training provided by schools in such category, which shall (i) prescribe the standards of content, scope, and quality which must be met in order to qualify schools in such category to participate in the student loan program under title II, and (ii) determine whether particular schools not meeting the requirements of clause (5) meet those standards. For purposes of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "Commissioner" means the Commissioner of Education.

(d) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(e) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the governor or by State law.

(f) The term "school-age population" means that part of the population which is between the ages of five and seventeen, both inclusive, and such school-age population for the several States shall be determined by the Commissioner on the basis of the population between such ages for the most recent year for which satisfactory data are available from the Department of Commerce.

(g) The term "elementary school" means a school which provides elementary education, as determined under State law or, if such school is not in any State, as determined by the Commissioner.

(h) The term "secondary school" means a school which provides secondary education, as determined under State law or, if such school is not in any State, as determined by the Commissioner, except that it does not include any education provided beyond grade 12. For the purposes of sections 301 through 304, the term "secondary school" may include a public junior college, as determined under State law or, if such school is not in any State, as determined by the Commissioner.

(i) The term "public" as applied to any school or institution includes a school or institution of any agency of the United States, except that no such school or institution shall be eligible to receive any grant, loan, or other payment under this Act.

(j) The term "nonprofit", as applied to a school or institution, means a school or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual, and for the purposes of part A of title V, includes a school of any agency of the United States.

(k) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(l) The term "school of nursing" means a public or other nonprofit collegiate or associate degree school of nursing.

(m) The term "collegiate school of nursing" means a department, division, or other administrative unit in a college or university which provides primarily or exclusively an accredited program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing.

(n) The term "associate degree school of nursing" means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively an accredited two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree.

(o) The term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education.

(20 U.S.C. 403) Enacted Sept. 2, 1958, P.L. 85–864, Title I, sec. 103, 72 Stat. 1582; amended June 25, 1959, P.L. 86–70, sec. 18(a)(1), 73 Stat. 144; amended July 12, 1960; P.L. 86–624, sec. 14(a)(1), 74 Stat. 413; amended Dec. 18, 1963, P.L. 88–210, sec. 21, 77 Stat. 415; amended 88–665, Title I, secs. 102, 103, 78 Stat. 1100; amended Nov. 8, 1965, P.L. 89–329 Title IV, sec. 461, 79 Stat. 1251; amended Nov. 3, 1966, P.L. 80–752, sec. 16(b), 80 Stat. 1245; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 174, 82 Stat. 1035.

* * * * * * *

TITLE III—FINANCIAL ASSISTANCE FOR STRENGTHENING INSTRUCTION IN SCIENCE, MATHEMATICS, MODERN FOREIGN LANGUAGES, AND OTHER CRITICAL SUBJECTS

PART A—GRANTS TO STATES

APPROPRIATIONS AUTHORIZED

SEC. 301. There are hereby authorized to be appropriated $70,000,000 for the fiscal year ending June 30, 1959, and for each of the five succeeding fiscal years, $90,000,000 for the fiscal year ending June 30, 1965, and $100,000,000 for the fiscal year ending June 30, 1966, and for the succeeding fiscal year, $110,000,000 for each of the fiscal years ending June 30, 1968, and June 30, 1969, $120,500,000 for the fiscal year ending June 30, 1970, and $130,500,000 for each of the fiscal years ending prior to June 30, [1977,] for (1) making payments to State educational agencies under this title for the acquisition of equipment and for minor remodeling, described in paragraph (1) of section 303(a), and (2) making loans authorized in section 305. There are also authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1959, and for each of the five succeeding fiscal years, and $10,000,000 for each of the succeeding fiscal years ending prior to July 1, [1977,] for making payments to State educational agencies under this part to carry out the programs described in paragraph (5) of section 303(a). Notwithstanding the preceding two sentences, no funds are authorized to be appropriated for obligation during any year for which funds are available for obligation for carrying out part B of title IV of the Elementary and Secondary Education Act of 1965.

(20 U.S.C. 441) Enacted Sept. 2, 1958, P.L. 85–864, Title II, sec. 301, 72 Stat. 1588; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 202(a), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 23(a), 77 Stat. 416; amended Oct. 16, 1964, P.L. 88–665, Title III, sec. 302, 78 Stat. 1103; amended Nov. 8, 1965, P.L. 89–329, sec. 467(a)(a), 79 Stat. 1254; amended Nov. 3, 1966, P.L. 89–752, sec. 82 Stat. 1052–1053; amended April 13, 1970, P.L. 91–230, sec. 807(a)(3), 84 Stat. 192; amended June 23, 1972, P.L. 92–318, sec. 502, 86 Stat. 345, 346; amended August 21, 1974, P.L. 93–380, sec. 651, 88 Stat. 588.

ALLOTMENTS TO STATES

SEC. 302. (a)(1) From the sums appropriated pursuant to the first sentence of section 301 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A), and such amount, not in excess of 1 per centum thereof, as he may determine for allotment as provided in section 1008(B), and shall reserve 12 per centum for loans authorized in section 305. From the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to the amount of such remainder as the product of—

(A) the school-age population of the State, and

(B) the State's allotment ratio (as determined under paragraph (2)),

bears to the sum of the corresponding products for all the States.

(2) The "allotment ratio" for any State shall be 100 per centum less the product of (A) 50 percentum and (B) the quotient obtained by dividing the income per child of school age for the State by the income per child of school age for the United States, except that the allotment ratio shall in no case be less than 33⅓ per centum or more than 66⅔ per centum. The allotment ratios shall be promulgated by the Commissioner between July 1 and August 31 of each even-numbered year beginning with calendar year 1964, on the basis of the average of the incomes per child of school age for the States and for the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Each such promulgation shall be conclusive for each of the two fiscal years in the period July 1 next succeeding such promulgation, except that the ratios promulgated in 1959 shall be conclusive for each of the five fiscal years in the period beginning July 1, 1960, and ending June 30, 1965.

(3) For the purposes of this part—

(A) The term "child of school age" means a member of the population between the ages of five and seventeen, both inclusive.

(B) The term "United States" means the fifty States and the District of Columbia.

(C) The term "income per child of school age" for any State or for the United States means the total personal income for the State and the United States, respectively, divided by the number of children of school age in such State and in the United States, respectively.

(b) From the sums appropriated pursuant to the second sentence of section 301 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine for allotment as provided in section 1008. From the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of such State bears to the total of the school-age populations of all of the States. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than $50,000.

(c) The amount of any State's allotment under subsection (a) of this section for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to the other States in proportion to the original allotments to such States under subsection (a) of this section, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reserved for any fiscal year for making loans under section 305 which the Commissioner determines will not be required for that purpose for such year shall be available for allotment among the States in the manner provided in the preceding sentence for reallotments. Any amount allotted or reallotted to a State under this subsection during a year from funds appropriated pursuant to section 301 shall be deemed part of its allotment under subsection (a) of this section for such year.

(20 U.S.C. 442) Enacted Sept. 2, 1958, P.L. 85–864, Title III, sec. 301, 72 Stat. 1588; amended June 25, 1959, P.L. 86–70, sec. 18(a)(2), 73 Stat. 144; amended July 12, 1960, P.L. 86–624, sec. 14(a)(2), 74 Stat. 413; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 202(b), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec 23(b), 77 Stat. 416; amended Oct. 16, 1964, Title III, sec. 303, 78 Stat. 1103; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 303, 304, 351, 82 Stat. 1053, 1058.

STATE PLANS

SEC. 303. (a) Any State which desires to receive payments under this part shall submit to the Commissioner, through its State educational agency, a State plan which meets the requirements of section 1004(a) and—

(1) sets forth a program under which funds paid to the State from its allotment under section 302(a) will be expended solely for projects approved by the State educational agency for (A) acquisition of laboratory and other special equipment (other than supplies consumed in use), including audiovisual materials and equipment, and printed and published materials (other than textbooks), suitable for use in providing education in academic subjects in public elementary or secondary schools, or both, and of testgrading equipment for audiovisual libraries serving such schools, and such equipment may, if there exists a critical need therefor in the judgment of local school authorities, be used when available and suitable in providing education in other subject matter, and (B) minor remodeling of laboratory or other space used for such materials or equipment;

(2) sets forth principles for determining the priority of such projects in the State for assistance under this part and provides for undertaking such projects, insofar as financial resources available therefor make possible, in the order determined by the application of such principles;

(3) provides an opportunity for a hearing before the State educational agency to any applicant for a project under this part;

(4) provides for the establishment of standards on a State level for laboratory and other special equipment acquired with assistance furnished under this part;

(5) sets forth a program under which funds paid to the State from its allotment under section 302(b) will be expended solely for (A) expansion or improvement of supervisory or related services in public elementary and secondary schools in the fields of academic subjects, and (B) administration of the State plan; and

(6) sets forth any requirements imposed upon applicants for financial participation in projects assisted under this part, including any provision for taking into account, in such requirements, the resources available to any applicant for such participation relative to the resources for participation available to all other applicants.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(20 U.S.C. 443) Enacted Sept. 2, 1958, P.L. 85–864, Title III, sec. 303, 72 Stat. 1589; amended Dec. 18, 1963, P.L. 88–210, sec. 23(c), 77 Stat. 417; amended Oct. 16, 1964, P.L. 88–665, Title III, sec. 304; 78 Stat. 1103; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 467(a)(1), 79 Stat. 1254; amended Nov. 3, 1966, P.L. 89–752, sec. 17(a), 80 Stat. 1244; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 302, 304, 82 Stat. 1052–1053; amended April 13, 1970, P.L. 91–230, sec. 807(a)(1)(2), 84 Stat. 192.

PAYMENTS TO STATES

SEC. 304. (a) From a State's allotment for a fiscal year under section 302(a), the Commission shall, from time to time, during the period such allotment is available for payment as provided in paragraph (4) of section 302(a), pay to such State an amount equal to one-half of the expenditures for projects for acquisition of equipment and minor remodeling referred to in paragraph (1) of section 303(a) which are carried out under its State plan approved under section 303(b); except that no State shall receive payments under this subsection for any period in excess of its allotments for such period under section 302(a).

(b) From a State's allotment under section 302(b) for the fiscal year ending June 30, 1959, the Commission shall from time to time pay to such State an amount equal to the amount expended by such State for such year to carry out the program referred to in paragraph (5) of section 303(a) under its State plan approved under section 303(b). From a State's allotment under section 302(b) for the fiscal year ending June 30, 1960, and for each of the eleven succeeding fiscal years, such payments shall equal one-half of the amount so expended under its State plan approved under section 303(b); except that no State shall receive payments under this subsection for any fiscal year in excess of its allotment under section 302(b) for that fiscal year.

(20 U.S.C. 444) Enacted Sept. 2, 1958, P.L. 85–864, Title III, sec. 304, 72 Stat. 1589; amended Oct. 3, 1961, P.L. 87–344, Title II, sec 202(c), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 23(d), 77 Stat. 417; amended Oct. 16, 1964, P.L. 88–665, Title III sec. 305, 78 Stat. 1104; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 301, 82 Stat. 1052.

LOANS TO NONPROFIT PRIVATE SCHOOLS

SEC. 305. From the sums reserved for each fiscal year for the purposes of this section under the provisions of section 302(a), the Commissioner is authorized to make loans to private nonprofit elementary and secondary schools in any State. Any such loan shall be made only for the purposes for which payments to State educational agencies are authorized under the first sentence of section 301, and—

(1) shall be made upon application containing such information as may be deemed necessary by the Commissioner;

(2) shall be subject to such conditions as may be necessary to protect the financial interest of the United States;

(3) shall bear interest at the rate arrived at by adding one-quarter of 1 per centum per annum to the rate which the Secretary of the Treasury determines to be equal to the current average market yield on outstanding marketable obligations of the

United States with redemption periods to maturity comparable to the average maturities of such loans as computed at the end of the fiscal year next preceding the date the application for the loan is approved and by adjusting the result so obtained to the nearest one-eighth of 1 per centum; and

(4) shall mature and be repayable on such date as may be agreed to by the Commissioner and the borrower, but such date shall not be more than ten years after the date on which such loan was made.

(20 U.S.C. 455) Enacted Sept. 2, 1958, P.L. 85–864, Title III, sec. 305, 72 Stat. 1590; amended P.L. 88–665, Title III, sec. 306, 78 Stat. 1104; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 303, 82 Stat. 1053.

PART B—GRANTS TO LOCAL EDUCATIONAL AGENCIES

APPROPRIATIONS AUTHORIZED

SEC. 311. There are hereby authorized to be appropriated, for carrying out this part, $84,373,000 for the fiscal year ending June 30, 1969, and $160,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, there may be appropriated to carry out the provisions of this part only such amount as the Congress may hereafter authorize by law.

(20 U.S.C. 451) Enacted Oct. 16, 1968, P.L. 90–575, title III, sec. 304, 82 Stat. 1054.

ALLOTMENTS TO LOCAL EDUCATIONAL AGENCIES

SEC. 312. From the sums appropriated pursuant to section 311 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A). From the remainder of such sums the Commissioner shall allot to each local educational agency (other than local educational agencies of States which receive their allotments under this part as provided in subsection 1008(A)) an amount which bears the same ratio to the amount of such remainder as the amount received by such agency from funds appropriated for the preceding fiscal year for grants under title I of the Elementary and Secondary Education Act of 1965 (title II of Public Law 874, Eighty-first Congress, as amended) bears to the amount received by all local educational agencies from such funds for such year.

(20 U.S.C. 452) Enacted Oct. 16, 1968, P.L. 90–575, title III, sec. 304, 82 Stat. 1054.

APPLICATION OF LOCAL EDUCATIONAL AGENCY

SEC. 313. (a) A local educational agency may receive a grant under this part for any fiscal year only on application therefor approved by the appropriate State educational agency, upon its determination (consistent with such basic criteria as the Commissioner may establish)—

(1) that payments under this part will be used for the acquisition of equipment and materials referred to in section 303(a)(1) to be used in programs and projects designed to meet the special educational needs of educationally deprived children in

school attendance areas having a high concentration of children from low-income families;

(2) that, to the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency has made provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) which will afford such children the benefits of the equipment and materials provided under this part;

(3) that the local educational agency has provided satisfactory assurance that the control of funds provided under this part, and that title to equipment and materials acquired therewith, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and equipment and materials; and

(4) that the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information, as may be reasonably necessary to enable the State educational agency to perform its duties under this part, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports.

(b) The State educational agency shall not finally disapprove in whole or in part any application for funds under this part without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

(20 U.S.C. 453) Enacted Oct. 16 1968, P.L. 90-575, Title III, sec. 304, 82 Stat. 1054-1055.

STATE APPLICATION

SEC. 314. (a) Any State desiring to participate under this part shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

(1) that payments under this part will be used only for programs and projects which have been approved by the State educational agency pursuant to section 313, and that such agency will in all other respects comply with the provisions of this part, including the enforcement of any obligations imposed upon a local educational agency under section 313.

(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, funds paid to the State (including such funds paid by the State to local educational agencies) under this part; and

(3) that the State educational agency will make to the Commissioner such reports as may be reasonably necessary to enable the Commissioner to perform his duties under this part (including such reports as he may require to determine the amounts which local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commis-

sioner may find necessary to assure the correctness and verification of such reports.

(b) An application submitted under this section shall be deemed a State plan for the purposes of sections 1004 and 1005.

(20 U.S.C. 454) Enacted Oct. 16, 1968, P.L. 90–575, Title III, sec. 304, 82 Stat. 1055.

PAYMENTS

Sec. 315. (a) The Commissioner shall, from time to time pay to each State, in advance or otherwise, the amount which the local educational agencies of that State are eligible to receive under this part. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this part (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

(b) From the funds paid to it pursuant to subsection (a) each State educational agency shall distribute to each local educational agency of the State which has submitted an application approved to pursuant to section 313(a) the amount for which such application has been approved, except that this amount shall not exceed its allotment for the fiscal year under section 312.

(20 U.S.C. 455) Enacted Oct. 16, 1968, Title III, sec. 304, 82 Stat. 1055.

* * * * * * *

TITLE V—GUIDANCE, COUNSELING, AND TESTING; IDENTIFICATION AND ENCOURAGEMENT OF ABLE STUDENTS [1]

Part A—State Programs

APPROPRIATIONS AUTHORIZED

Sec. 501. There are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1963, $17,500,000 for the fiscal year ending June 30, 1964, $24 million for the fiscal year ending June 30, 1965, $24,500,000 for the fiscal year ending June 30, 1966, $30 million for each of the 2 succeeding fiscal years, $25 million for the fiscal year ending June 30, 1969, $40 million for the fiscal year ending June 30, 1970, and $54 million for the fiscal year ending June 30, 1971, for making grants to State educational agencies under this part to assist them to establish and maintain programs of testing and guidance and counseling.

(20 U.S.C. 481) Enacted Sept. 2, 1958, P.L. 85–864, Title V, sec. 501, 72 Stat. 1592; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 204, 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 25(a), 77 Stat. 417; amended Oct. 16, 1964, P.L. 88–665, Title V, sec. 502, 78 Stat. 1105; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 321, 82 Stat. 1057.

---

[1] Title III, section 303(a) of the Elementary and Secondary Education Act, as amended Apr. 13, 1971, by section 131 of P.L. 91–230 reads:

"It is the purpose of this title to combine within a single authorization, subject to the modifications imposed by the provisions and requirements of this title, the programs formerly authorized by this title and title V–A of the National Defense Education Act of 1958, and except as expressly modified by this title, Federal funds may be used for the same purposes and the funding of the same types of programs previously authorized by those titles."

ALLOTMENTS TO STATES

SEC. 502. (a) From the sums appropriated pursuant to section 501 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A), and such amount, not in excess of 1 per centum thereof, as he may determine for allotment as provided in section 1008(B). From the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of such State bears to the total of the school-age populations of all of the States. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the State plan (if any) approved under this title shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under such subsection for such year, but with such proportionate amount for any of such States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year for carrying out the State plan; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year from funds appropriated pursuant to section 501 shall be deemed part of its allotment under subsection (a) for such year.

(20 U.S.C. 482) Enacted Sept. 2, 1958, P.L. 85–864, Title V, sec. 501, 72 Stat. 1592; amended Dec. 18, 1963, P.L. 88–210, sec. 25(b), 77 Stat. 1105; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 351, 81 Stat. 1058.

STATE PLANS

SEC. 503. (a) Any State which desires to receive payments under this part shall submit to the Commissioner, through its State educational agency, a State plan which meets the requirements of section 1004(a) and sets forth—

(1) a program for testing students in the public elementary and secondary schools of such State or in the public junior colleges and technical institutes of such State, and, if authorized by law, in other elementary and secondary schools and in other junior colleges and technical institutes in such State, to identify students with outstanding aptitudes and ability, and the means of testing which will be utilized in carrying out such program; and

(2) a program of guidance and counseling at the appropriate levels in the public elementary and secondary schools or public junior colleges and technical institutes of such State (A) to ad-

vise students of courses of study best suited to their ability, aptitudes, and skills, (B) to advise students in their decisions as to the type of educational program they should pursue, the vocation they should train for and enter, and the job opportunities in the various fields, and (C) to encourage students with outstanding aptitudes and ability to complete their secondary school education, take the necessary courses for admission to institutions of higher education, and enter such institutions and such programs may include, at the discretion of such State agency, short-term sessions for persons engaged in guidance and counseling in the elementary and secondary schools, junior colleges, and technical institutes in such State.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(20 U.S.C. 483) Enacted Sept. 2, 1958, P.L. 85–864, Title V, sec. 501, 72 Stat. 1592; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 204(b), (c), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 25(d), 77 Stat. 418; amended Oct. 16, 1964, P.L. 88–665, Title V, sec. 503, 78 Stat. 1105; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 321, 82 Stat. 1057.

PAYMENTS TO STATES

Sec. 504. (a) Payment under this part shall be made to those State educational agencies which administer plans approved under section 503. For the fiscal year ending June 30, 1959, such payments shall equal the amount expended by the State in carrying out its State plan, and for the fiscal year ending June 30, 1960, and for each of the succeeding fiscal years, such payments shall equal one-half of the amount so expended, including amounts expended under the State plan for State supervisory or related services in public elementary or secondary schools in the fields of guidance, counseling, and testing, and for administration of the State plan, except that no State educational agency shall receive payment under this part for any fiscal year in excess of that State's allotment for that fiscal year as determined under section 502.

(b) In any State which has a State plan approved under section 503 and in which the State educational agency is not authorized by law to make payments to cover the cost of testing students in any one or more elementary or secondary schools, or junior colleges or technical institutes, in such State to determine student abilities and aptitudes, the Commissioner shall arrange for the testing of such students and shall pay the cost thereof for the fiscal year ending June 30, 1959, and one-half of the cost thereof for any of the succeeding fiscal years out of such State's allotment. Testing of students pursuant to this subsection shall, so far as practicable, be comparable to, and be done at the same grade levels and under the same conditions as in the case of, testing of students in public schools under the State plan.

(20 U.S.C. 484) Enacted Sept. 2, 1958, P.L. 85–864, Title V, sec. 504, 72 Stat. 1592; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 204(b), (c), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 25(d), 77 Stat. 418; amended Oct. 16, 1964, P.L. 88–665, Title V, sec. 503, 78 Stat. 1105; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 321, 82 Stat. 1057.

DEFINITIONS

Sec. 505. For the purposes of this title, the term "junior colleges or technical institutes" means (1) institutions of higher education which are organized and administered principally to provide a two-year program which is acceptable for full credit toward a bachelor's degree, and (2) institutions which meet the requirements of clauses (1), (2), (4), and (5) of section 103(b) and are organized and administered principally to provide a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, and, if a branch of an institution of higher education offering four or more years of higher education, is located in a community different from that in which its parent institution is located.

(20 U.S.C. 485) Enacted Oct. 16, 1964, P.L. 88–665, Title V, sec. 504, 78 Stat. 1106.

* * * * * * *

TITLE X—MISCELLANEOUS PROVISIONS

ADMINISTRATION

Sec. 1001.

(c) The Commissioner shall include in his annual report to the Congress a full report of the activities of the Office of Education under this Act, including recommendations for needed revisions in the provisions thereof.

(d) The Secretary shall advise and consult with the heads of departments and agencies of the Federal Government responsible for the administration of scholarship, fellowship, or other educational programs with a view to securing full information concerning all specialized scholarship, fellowship, or other educational programs administered by or under any such department or agency and to developing policies and procedures which will strengthen the educational programs and objectives of the institutions of higher education utilized for such purposes by any such department or agency.

(e) Any agency of the Federal Government shall exercise its functions under any other law in such manner as will assist in carrying out the objectives of this Act. Nothing in this Act shall be construed as superseding or limiting the authority of any such agency under any other law.

(f)(1) No part of any funds appropriated or otherwise made available for expenditure under the authority of this Act shall be used to make payments or loans to any individual (other than a permanent resident of the Trust Territory of the Pacific Islands) unless such individual has taken and subscribed to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic".

(2) No fellowship or stipend shall be awarded to any individual under the provisions of title IV or of part A of title VI of this Act unless such individual has provided the Commissioner (in the case of applications made on or after October 1, 1962) with a full statement regarding any crimes of which he has ever been convicted (other than crimes committed before attaining sixteen years of age and minor traffic violations for which a fine of $25 or less was imposed) and regarding any criminal charges punishable by confinement of thirty days or more which may be pending against him at the time of his application for such fellowship or stipend.

(3) The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to the oath or affirmation required under paragraph (1) of this subsection and to the statement required under paragraph (2).

(4)(A) When any Communist organization, as defined in paragraph (5) of section 3 of the Subversive Activities Control Act of 1950, is registered or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, it shall be unlawful for any member of such organization with knowledge or notice that such organization is so registered or that such order has become final (i) to make application for any payment or loan which is to be made from funds part or all of which are appropriated or otherwise made available for expenditure under the authority of this Act, or (ii) to use or attempt to use any such payment or loan.

(B) Whoever violates subparagraph (A) of this paragraph shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(g) Nothing contained in this Act shall prohibit the Commissioner from refusing or revoking a fellowship award under title IV of this Act, in whole or in part, in the case of any applicant or recipient, if the Commissioner is of the opinion that such award is not in the best interests of the United States.

(20 U.S.C. 581) Enacted Sept. 2, 1958, P.L. 85–864, Title X, sec. 1001, 72 Stat. 1602; amended Oct. 16, 1962, P.L. 87–835, 76 Stat. 1070; amended Oct. 16, 1968; P.L. 90–575, Title I, sec. 176, 82 Stat. 1035. Subsections (a) and (b) repealed April 13, 1970, P.L. 91–230, sec. 401(c) and superseded by sec. 411, P.L. 90–247, as amended (20 U.S.C. 1233–1233g).

ADMINISTRATION OF STATE PLANS

SEC. 1004. (a) No State plan submitted under one of the titles of this Act shall be approved by the Commissioner which does not—

(1) provide, in the case of a plan submitted under title III or under title V, or section 1009 of this title, that the State educational agency will be the sole agency for administering the plan;

(2) provide that such commission or agency will make such reports to the Commissioner, in such form and containing such information, as may be reasonably necessary to enable the Commissioner to perform his duties under such title or section and will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports; and

(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under such title or section (including such funds paid by the State to the local educational agencies).

(b) The Commissioner shall not finally disapprove any State plan submitted under this Act, or any modification thereof without first affording the agency administering the plan reasonable notice and opportunity for a hearing.

(c) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the agency administering a State plan approved under one of the titles of this Act, finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of this Act governing its original approval, or

(2) in the administration of the plan there is a failure to comply substantially with any such provision, the Commissioner shall notify such State agency, in the case of a plan submitted under part A or B of title III or under title V or section 1009 of this title, that no further payments will be made to the State under such part or title or section (or, in his discretion, further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Commissioner shall make no further payments to such State under such part or title or section, as the case may be (or shall limit payments to programs under or portions of the State plan not affected by such failure).

(20 U.S.C. 584) Enacted Sept. 2, 1958, P.L. 85–864, Title X, sec. 1004, 72 Stat. 1603; amended Oct. 16, 1964, P.L. 88–665, Title VIII, sec. 801, 78 Stat. 1107; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 304, 82 Stat. 1055.

JUDICIAL REVIEW

SEC. 1005. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under this Act, or with respect to his final action under section 1004(c), such State may, within sixty days after notice of such action, file in the United States district court for the district in which the capital of the State is located, a petition to review such action. The petition for review shall (1) contain a concise statement of the facts upon which the appeal is based and (2) designate that part of the Commissioner's decision sought to be reviewed.

(b) Notification of the filing of the petition for review shall be given by the clerk of the court by mailing a copy of the petition to the Commissioner.

(c) No costs or docket fees shall be charged or imposed with respect to any judicial review proceedings, or appeal therefrom, taken under this Act.

(d) Upon receipt of the petition for review the Commissioner shall, within twenty days thereafter, certify and file in the court the record on review, consisting of the complete transcript of the proceedings before the Commissioner. No party to such review shall be required, by rule of court or otherwise, to print the contents of such record filed in the court.

(e) The court after review may dismiss the petition or deny the relief prayed for, or may suspend, modify, or set aside, in whole or in part, the action of the Commissioner, or may compel action unlawfully withheld. The judgment of the court shall be subject to review as provided in section 1291 and 1254 of title 28 of the United States Code.

(20 U.S.C. 586) Enacted Sept. 2, 1958, P.L. 85-864, Title X, sec. 1005, 72 Stat. 1604.

METHOD OF PAYMENT

SEC. 1006. Payments under this Act to any individual or to any State or Federal agency, institution of higher education, or any other organization, pursuant to a grant, loan, or contract, may be made in installments, and in advance or by way of reimbursement and, in the case of grants or loans, with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 586) Enacted Sept. 2, 1958, P.L. 85-864, Title X, sec. 1006, 72 Stat. 1604.

ADMINISTRATIVE APPROPRIATIONS AUTHORIZED

SEC. 1007. There are hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and for each fiscal year thereafter, such sums as may be necessary for the cost of administering the provisions of this Act, including the administrative expenses of State commissions.

(20 U.S.C. 587) Enacted Sept. 2, 1958, P.L. 85-864, Title X, sec. 1007, 72 Stat. 1604.

ALLOTMENTS TO TERRITORIES AND POSSESSIONS

SEC. 1008. The amounts reserved by the Commissioner under sections 302, 312, and 502 shall, in accordance therewith, be allotted among—

(A) Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for the type of assistance furnished under the part or title in which the section appears, and

(B) in the case of amounts so reserved under sections 302 and 502, (i) the Secretary of the Interior, according to the need for such assistance in order to effectuate the purposes of such part or title in schools operated for Indian children by the Department of the Interior, and (ii) the Secretary of Defense according to the need for such assistance in order to effectuate the purposes of such part or title in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

(20 U.S.C. 588) Enacted Sept. 2, 1958, P.L. 85-864, Title X, sec. 1008, 72 Stat. 1605; amended June 25, 1959, P.L. 86-70, sec. 18(a)(3), 73 Stat. 144; amended July 12, 1960, P.L. 86-624, sec. 14(a)(3), 74 Stat. 413; amended Dec. 18, 1963, P.L. 88-210, sec. 28(a), 77 Stat. 419; amended Oct. 16, 1968, P.L. 90-575, Title III, sec. 351, 82 Stat. 1058.

IMPROVEMENT OF STATISTICAL SERVICES OF STATE EDUCATIONAL AGENCIES

SEC. 1009. (a) For the purpose of assisting the States to improve and strengthen the adequacy and reliability of educational statistics provided by State and local reports and records and the methods and techniques for collecting and processing educational data and disseminating information about the condition and progress of education in the States, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and each of the nine succeeding fiscal years, for grants to States under this section, such sums as the Congress may determine.

(b) Grants under this section by the Commissioner shall be equal to one-half of the cost of State educational agency programs to carry out the purposes of this section, including (1) improving the collection, analysis, and reporting of statistical data supplied by local educational units, (2) the development of accounting and reporting manuals to serve as guides for local educational units, (3) the conduct of conferences and training for personnel of local educational units and of periodic reviews and evaluation of the program for records and reports, (4) improving methods for obtaining, from other State agencies within the State, educational data not collected by the State educational agency, or (5) expediting the processing and reporting of statistical data through installation and operation of mechanical equipment. The total of the payments to any State under this section for any fiscal year may not exceed $50,000.

(c) Payments with respect to any program of a State educational agency under this section may be made (1) only to the extent it is a new program or an addition to or expansion of an existing program and (2) only if the State plan approved under subsection (d) includes such program.

(d) The Commissioner shall approve any State plan for purposes of this section if such plan meets the requirements of section 1004(a) and sets forth the programs proposed to be carried out under the plan and the general policies to be followed in doing so.

(20 U.S.C. 589) Enacted Sept. 2, 1958, P.L. 85-864, Title X, sec. 1009, 72 Stat. 1605; amended Oct. 3, 1961, P.L. 87-344, Title II, sec. 208, 75 Stat. 761; amended Dec. 18, 1963, P.L. 88-210, sec. 28(b), 77 Stat. 419; amended Oct. 16, 1964, P.L. 88-665, Title VIII, sec. 802, 78 Stat. 1107.

CLUBS FOR BOYS AND GIRLS INTERESTED IN SCIENCE

AN ACT

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to strengthen future scientific accomplishment in our Nation by assisting in the development of a body of boys and girls with a special interest in science, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and for each fiscal year thereafter, such sums, not in excess of $50,000, as may be necessary to enable the Commissioner of Education to encourage, foster, and assist in the establishment in localities throughout the Nation of clubs which are composed of boys and girls who have an especial interest in science.

Sec. 2. (a) The Commissioner of Education shall carry out his duties under the first section with a view to the ultimate chartering by the Congress of a corporation, similar to the Future Farmers of America, which will seek to—

(1) develop an interest in science on the part of the young people of America,

(2) provide an opportunity for the exchange of scientific information and ideas among members of the clubs,

(3) encourage the promotion of science fairs at which members of the clubs may display their scientific works and projects, and

(4) develop an awareness of the satisfactions to be derived throughout a career devoted to science.

(b) The Commissioner of Education may utilize any of the personnel and facilities of the Office of Education in carrying out this Act.

(20 U.S.C. 2 note) **Enacted on September 2, 1958, as P.L. 85–875, 72 Stat. 1700.**

LEGISLATIVE HISTORY

(P.L. 85–875)

85th Congress—H.R. 13191: H. Rept 2643, p. 17931, Aug. 15, 1958; passed House, p. 18976, Aug. 21, 1958. Passed Senate, p. 19558, Aug. 23, 1958. Approved, p. 19719, Sept. 2, 1958.

FUTURE FARMERS OF AMERICA

AN ACT **To incorporate the Future Farmers of America, and for other purposes.**

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following persons: William T. Spanton, Washington, District of Columbia; Dudley M. Clements, College Park, Maryland; Herbert B. Swanson, Washington, District of Columbia; R. Edward Naugher, Arlington, Virginia; Elmer J. Johnson, Arlington, Virginia; Rodolph D. Anderson, Columbia, South Carolina; Earl H. Little, Concord, New Hampshire; Bert L. Brown, Olympia, Washington; and Ralph A. Howard, Columbus, Ohio, are hereby created a body corporate by the name of Future Farmers of America (hereinafter referred to as the "corporation") and by such name shall be known and have perpetual succession and the powers and limitations contained in this Act.

(36 U.S.C. 271) **Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec. 1, 64 Stat. 563.**

Sec. 2. The persons named in the first section of this Act are authorized to meet to complete the organization of the corporation by the selection of officers, the adoption of regulations and bylaws, and the doing of such other acts as may be necessary for such purpose.

(36 U.S.C. 272) **Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec. 2, 64 Stat. 563.**

Sec. 3. The objects and purposes of the corporation shall be—

(1) to create, foster, and assist subsidiary chapters composed of students and former students of vocational agriculture in public schools qualifying for Federal reimbursement under the Smith-

Hughes Vocational Education Act or the Vocational Education Act of 1946 (Public Law 347, Sixty-fourth Congress, and Public Law 586, Seventy-ninth Congress), and associations of such chapters in the several States and Territories of the United States;

(2) to develop character, train for useful citizenship, and foster patriotism, and thereby to develop competent, aggressive rural and agricultural leadership;

(3) to create and nurture a love of country life by encouraging members to improve the farm home and its surroundings, to develop organized rural recreational activities, and to create more interest in the intelligent choice of farming occupations;

(4) to encourage the practice of thrift;

(5) to procure for and distribute to State associations, local chapters, and members all official Future Farmers of America supplies and equipment;

(6) to publish an official magazine and other publications for the members of the corporation;

(7) to strengthen the confidence of farm boys and young men in themselves and their work, to encourage members in the development of individual farming programs, and to promote their permanent establishment in farming by (a) encouraging improvement in scholarship; (b) providing prizes and awards to deserving students who have achieved distinction in vocational agriculture, including farm mechanics activities on a local, State, or national basis; and (c) assisting financially, through loans or grants, deserving students in all-day vocational agriculture classes and young farmers under thirty years of age who were former students in all-day vocational agriculture classes in becoming satisfactorily established in a farming occupation; and

(8) to cooperate with others, including State boards for vocational education, in accomplishing the above purposes; and to engage in such other activities, consistent with the foregoing purposes, determined by the governing body to be for the best interests of the corporation.

(36 U.S.C. 273) Enacted Aug. 30, 1950, P.L. 740 81st Cong., sec. 3, 64 Stat. 563.

Sec. 4. The corporation shall have power—

(1) to sue and be sued, complain, and defend in any court of competent jurisdiction;

(2) to adopt, use, and alter a corporate seal;

(3) to choose such officers, managers, agents, and employees as the business of the corporation may require;

(4) to adopt and alter bylaws and regulations, not inconsistent with the laws of the United States or any State in which such corporation is to operate, for the management of its property and the regulation of its affairs, including the establishment and maintenance of local chapters and State associations of chapters;

(5) to contract and be contracted with;

(6) to take and hold by lease, gift, purchase, grant, devise, or bequest any property, real or personal, necessary for attaining the objects and accomplishing the purposes of the corporation,

subject to applicable provisions of law of any state (A) governing the amount or kind of real and personal property which may be held by, or (B) otherwise limiting or controlling the ownership of real and personal property by, a corporation operating in such State;

(7) to transfer and convey real or personal property;

(8) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, subject to all applicable provisions of Federal or State law;

(9) to use the corporate funds to give prizes, awards, loans, and grants to deserving students and young farmers for the purposes set forth in section 3;

(10) to publish a magazine and other publications;

(11) to procure for and distribute to State associations, local chapters, and members all official Future Farmers of America supplies and equipment;

(12) to adopt emblems and badges; and

(13) to do any and all acts and things necessary and proper to carry out the objects and purposes of the corporation.

(36 U.S.C. 274) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 4, 64 Stat. 564.

SEC. 5. The headquarters and principal offices of the corporation shall be located in the District of Columbia, but the activities of the corporation shall not be confined to that place but may be conducted throughout the various States, Territories, and possessions of the United States. The corporation shall maintain at all times in the District of Columbia a designated agent authorized to accept service of process for the corporation, such designation to be filed in the office of the clerk of the United States District Court for the District of Columbia. Notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed sufficient notice or service upon the corporation.

(36 U.S.C. 275) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 5, 64 Stat. 565.

SEC. 6. Eligibility for membership in the corporation and the rights and privileges of members shall, except as provided in this Act, be determined according to the bylaws of the corporation. In the conduct of official business of any local chapter each member shall have one vote. In the conduct of the official business of any State association each qualified delegate of a local chapter shall have one vote.

(36 U.S.C. 275) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 6, 64 Stat. 565.

SEC. 7. (a) The national officers of the corporation shall be a student president, four student vice presidents (one from each of four regions of the United States established in the bylaws for purposes of administration of the corporation), a student secretary, an executive secretary, a treasurer, and a national advisor.

(b) The national student officers of the corporation shall comprise a board of student officers. It shall be the duty of such board to advise and make recommendations to the board of directors with respect to the conduct of the activities and business of the corporation.

(c) The national officers of the corporation shall be elected annually by a majority vote of the delegates assembled in the annual national convention from among qualified members of the corporation, except that the national advisor shall be the Chief of the Agricultural Education Service, Office of Education, Federal Security Agency,[1] the executive secretary shall be a member of that service, and the treasurer shall be an employee or member of a State agency that directs or supervises a State program of agricultural education under the provisions of the Smith-Hughes Vocational Education Act or the Vocational Education Act of 1946 (Public Law 347, Sixty-fourth Congress, and Public Law 586, Seventy-ninth Congress).

(d) In the conduct of the business of the annual national convention each qualified delegate shall have one vote.

(36 U.S.C. 276) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 7, 64 Stat. 565.

Sec. 8. (a) The governing body of the corporation, which shall exercise the powers herein granted to the corporation, shall be a board of directors composed of: (1) the Chief of the Agricultural Education Service, Office of Education, Federal Security Agency,[1] who shall act as chairman; (2) four staff members in the Agricultural Education Service, Office of Education, Federal Security Agency;[1] and (3) four State supervisors of agricultural education.

(b) The terms of office of members of the board and the method of selection of such members, other than ex officio members, shall be prescribed by the bylaws of the corporation.

(c) The board shall meet at least once each year at such time and place as may be prescribed by the bylaws. The annual report of the board shall be presented at such meeting. Special meetings of the board may be called at any time by the chairman.

(d) The board may designate the chairman and two members of his staff as a governing committee which, when the board is not in session, shall have and exercise the powers of the board subject to its direction and have the power to authorize the seal of the corporation to be affixed to all papers which may require it.

(e) The board of directors which shall serve until the first board is selected as provided in this Act shall be composed of the nine persons named in the first section of this Act.

(36 U.S.C. 278) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 8, 64 U.S.C. 565.

Sec. 9. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director, or be distributable to any such person except upon dissolution and final liquidation of the corporation as provided in section 15 of this Act.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan to an officer, director, or employee of the corporation, and any officer who participates in the making of such a loan shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

(c) This section shall not preclude prizes, awards, grants, or loans to student officers and members meeting the criteria established by the board of directors for selecting recipients of such benefits.

(36 U.S.C. 279) Enacted Aug 30, 1950, P.L. 740, 81st Cong., sec. 9, 64 Stat. 566.

---

[1] Functions of Federal Security Agency transferred Apr. 11, 1953 to Department of Health, Education, and Welfare (1953 Reorg. Plan No. 1, secs. 5, 8, 18 F.R. 2053, 67 Stat. 631). Reorganization plan reprinted on page 4.

Sec. 10. The corporation, and its members, officers, and directors, as such, shall not contribute to or otherwise support or assist any political party or candidate for elective public office.

(36 U.S.C. 280) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 10, 64 Stat. 566.

Sec. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

(36 U.S.C. 281) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 11, 64 Stat. 566.

Sec. 13. The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the board of directors, and committees having any authority under the board of directors; and it shall also keep a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member or his agent or attorney at any reasonable time.

(36 U.S.C. 283) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 13, 64 Stat. 566.

Sec. 15. Upon final dissolution or liquidation of the corporation and after the discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation shall be used by the board of directors for the benefit of students of vocational agriculture, or be transferred to some recognized educational foundation.

(36 U.S.C. 285) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 15, 64 Stat. 566.

Sec. 16. The corporation, and its duly authorized chapter and associations of chapters, shall have the sole and exclusive right to use the name of Future Farmers of America and the initials FFA as representing an agricultural membership organization and such seals, emblems, and badges as the corporation may lawfully adopt.

(36 U.S.C. 286) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 16, 64 Stat. 566.

Sec. 17. As a condition precedent to the exercise of any power or privilege granted to the corporation under this Act, the corporation shall file in the Office of the Secretary of State, or similar officer, in each State and in each Territory or possession of the United States in which subordinate associations or chapters are organized the name, and post office address of an authorized agent in such State, Territory, or possession upon whom legal process or demands against the corporation may be served.

(36 U.S.C. 287) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 17, 64 Stat. 567.

Sec. 18. The United States Commissioner of Education, with the approval of the Federal Security Administrator,[1] is authorized to make available personnel, services, and facilities of the Office of Education requested by the board of directors of the corporation to administer or assist in the administration of the business and activities of the corporation. The personnel of the Office of Education shall not receive any compensation from the corporation for their services, except that travel and other legitimate expenses as defined by the Commissioner of Education and approved by the board of directors of the corporation may be paid. The Commissioner, with the approval of the Administrator, is also authorized to cooperate with the State boards for vocational education to assist in the promotion of the activities of the corporation.

---

[1] See footnote on page 258.

(36 U.S.C. 289) Enacted Aug. 30, 1959, P.L. 740, 81st Cong., sec. 18, 64 Stat. 567.

Sec. 19. The corporation may acquire the assets of the Future Farmers of America, a corporation organized under the laws of the State of Virginia, and of the Future Farmers of America Foundation, Incorporated, a corporation organized under the laws of the District of Columbia, upon discharging or satisfactorily providing for the payment and discharge of all of the liabilities of such corporations.

(36 U.S.C. 289) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec. 19, 64 Stat. 567.

Sec. 20. The provisions of this Act shall take effect on the filing, in the office of the clerk of the United States District Court for the District of Columbia of affidavits signed by the incorporators named in the first section of this Act to the effect that the Virginia corporation known as the Future Farmers of America has been dissolved in accordance with law, but only if such affidavits are filed within one year from the date of enactment of this Act.

(36 U.S.C. 290) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec. 20, 64 Stat. 567.

Sec. 21. The right to alter, amend, or repeal this Act is hereby expressively reserved.

(36 U.S.C. 291) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec 21, 64 Stat. 567.

Approved August 30, 1950.

PART III—HIGHER EDUCATION PROGRAMS

Higher Education Act of 1965

(P.L. 89–329)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Higher Education Act of 1965".

TITLE I—COMMUNITY SERVICE AND CONTINUING EDUCATION PROGRAMS

APPROPRIATIONS AUTHORIZED

Sec. 101. For the purpose of assisting the people of the United States in the solution of community problems such as housing, poverty, government, recreation, employment, youth opportunities, transportation, health, and land use by enabling the Commissioner to make grants under this title to strengthen community service programs of colleges and universities, there are authorized to be appropriated

$10,000,000 for the fiscal year ending June 30, 1972, $30,000,000 for the fiscal year ending June 30, 1973, $40,000,000 for the fiscal year ending June 30, 1974, and $50,000,000 for the fiscal year ending June 30, 1975.

(20 U.S.C. 1001) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 101, 79 Stat. 1219; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 201, 82 Stat. 1035; amended June 23, 1972, P.L. 92–318, Title I, sec. 101(a), 86 Stat. 236.

DEFINITION OF COMMUNITY SERVICE PROGRAM

SEC. 102. For purposes of this title, the term "community service program" means an educational program, activity, or service, including a research program and a university extension or continuing education offering, which is designed to assist in the solution of community problems in rural, urban, or suburban areas, with particular emphasis on urban and suburban problems, where the institution offering such program, activity, or service determines—

(1) that the proposed program, activity, or service is not otherwise available, and

(2) that the conduct of the program or performance of the activity or service is consistent with the institution's over-all educational program and is of such a nature as is appropriate to the effective utilization of the institution's special resources and the competencies of its faculty.

Where course offerings are involved, such courses must be university extension or continuing education courses and must be—

(A) fully acceptable toward an academic degree, or

(B) of college level as determined by the institution offering such courses.

(20 U.S.C. 1002) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 102, 79 Stat. 1219.

ALLOTMENTS TO STATES

SEC. 103. (a) From the sums appropriated pursuant to section 101 for any fiscal year which are not reserved under section 106(a),[1] the Commissioner shall allot $25,000 each to Guam, American Samoa, the Commonwealth of Puerto Rico, and the Virgin Islands and $100,000 to each of the other States, and he shall allot to each State an amount which bears the same ratio to the remainder of such sums as the population of the State bears to the population of all States.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the State plan (if any) approved under this title shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under such subsection for such year, but with such proportionate amount for any of such States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year for carrying out its State plan; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year from funds appropriated pursuant to section 101 shall be deemed part of its allotment under subsection (a) for such year.

---

[1] Section 102(b) of P.L. 92–318 provides as follows:

(b) The amendments made by the second sentence of paragraph (1) of subsection (a) and by paragraph (2) of such subsection shall be effective after June 30, 1972, and then—

"(1) only with respect to appropriations for title I of the Higher Education Act of 1965 for fiscal years beginning after June 30, 1972; and

"(2) only to the extent that the allotment to any State under section 103(a) of such title is not less for any fiscal year than the allotment to that State under such section 103(a) for the fiscal year ending June 30, 1972."

(c) In accordance with regulations of the Commissioner, any State may file with him a request that a specified portion of its allotment under this title be added to the allotment of another State under this title for the purpose of meeting a portion of the Federal share of the cost of providing community service programs under this title. If it is found by the Commissioner that the programs with respect to which the request is made would meet needs of the State making the request and that use of the specified portion of such State's allotment, as requested by it, would assist in carrying out the purposes of this title, such portion of such State's allotment shall be added to the allotment of the other State under this title to be used for the purpose referred to above.

(d) The population of a State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available from the Department of Commerce.

(20 U.S.C. 1003) Enacted Nov. 8, 1965, P.L. 89-329, Title I, sec. 103, 79 Stat. 1220; amended June 23, 1972, P.L. 92-318, sec. 102(a)(2), 86 Stat. 237.

USES OF ALLOTTED FUNDS

SEC. 104. A State's allotment under section 103 may be used, in accordance with its State plan approved under section 105(b), to provide new, expanded, or improved community service programs.

(20 U.S.C. 1004) Enacted Nov. 8, 1965, P.L. 89-329, Title I, sec. 104, 79 Stat. 1220.

STATE PLANS

SEC. 105. (a) Any State desiring to receive its allotment of Federal funds under this title shall designate or create a State agency or institution which has special qualifications with respect to solving community problems and which is broadly representative of institutions of higher education in the State which are competent to offer community service programs, and shall submit to the Commissioner through the agency or institution so designated a State plan. If a State desires to designate for the purpose of this section an existing State agency or institution which does not meet these requirements, it may do so if the agency or institution takes such action as may be necessary to acquire such qualifications and assure participation of such institutions, or if it designates or creates a State advisory council which meets the requirements not met by the designated agency or institution to consult with the designated agency or institution in the preparation of the State plan. A State plan submitted under this title shall be in such detail as the Commissioner deems necessary and shall—

(1) provide that the agency or institution so designated or created shall be the sole agency for administration of the plan or for supervision of the administration of the plan; and provide that such agency or institution shall consult with any State advisory council required to be created by this section with respect to policy matters arising in the administration of such plan;

(2) set forth a comprehensive, coordinated, and statewide system of community service programs under which funds paid to the State (including funds paid to an institution pursuant to section 107(c)) under its allotments under section 103 will be expended solely for community service programs which have been approved by the agency or institution administering the plan (except that if a comprehensive, coordinated, and statewide system of community service programs cannot be effectively carried out by reason of insufficient funds, the plan may set forth one or more proposals for community service programs in lieu of a comprehensive, coordinated, statewide system of such programs);

(3) set forth the policies and procedures to be followed in allocating Federal funds to institutions of higher education in the State, which policies and procedures shall insure that due consideration will be given—

(A) to the relative capacity and willingness of particular institutions of higher education (whether public or private) to provide effective community service programs;

(B) to the availability of and need for community service programs among the population within the State; and

(C) to the results of periodic evaluations of the programs carried out under this title in the light of information regarding current and anticipated community problems in the State;

(4) set forth policies and procedures designed to assure that Federal funds made available under this title will be so used as not to supplant State or local funds, or funds of institutions of higher education, but to supplement and, to the extent practicable, to increase the amounts of such funds that would in the absence of such Federal funds be made available for community service programs;

(5) set forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State (including such funds paid by the State or by the Commissioner to institutions of higher education) under this title; and

(6) provide for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(20 U.S.C. 1005) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 105, 79 Stat. 1220; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 202, 82 Stat. 1036.

SPECIAL PROGRAMS AND PROJECTS RELATING TO NATIONAL AND REGIONAL PROBLEMS

SEC. 106. (a) The Commissioner is authorized to reserve from the sums appropriated pursuant to section 101 for any fiscal year an amount not in excess of 10 per centum of the sums so appropriated for that fiscal year for grants pursuant to subsection (b).

(b)(1) From the sums reserved under subsection (a), the Commissioner is authorized to make grants to, and contracts with, institutions of higher education (and combinations thereof) to assist them in carrying out special programs and projects, consistent with the purposes of this title, which are designed to seek solutions to national and regional problems relating to technological and social changes and environmental pollution.

(2) No grant or contract under this section shall exceed 90 per centum of the cost of the program or project for which application is made.[1]

(20 U.S.C. 1005a) Enacted June 23, 1972, P.L. 92–318, sec. 102(a)(1), 86 Stat. 236–237.

PAYMENTS

SEC. 107. (a) Except as provided in subsection (b), payment under this title shall be made to those State agencies and institutions which administer plans approved under section 105(b). Payments under this title from a State's allotment with respect to the cost of developing and carrying out its State plan shall equal 75 per centum of such costs for the fiscal year ending June 30, 1966, 75 per centum of such costs for the fiscal year ending June 30, 1967, 50 per centum of such costs for the fiscal year ending June 30, 1968, and 66⅔ per centum of such costs for fiscal years ending on or after June 30, 1969, except that no payments for any fiscal year shall be made to any State with respect to expenditures for developing and administering the State plan which exceed 5 per centum of the costs for that year for which payment under this subsection may be made to that State, or $25,000, whichever is the greater. In determining the cost of developing and carrying out a State's plan, there shall be excluded any cost with respect to which payments were received under any other Federal program.

(b) No payments shall be made to any State from its allotments for any fiscal year unless and until the Commissioner finds that the institutions of higher education which will participate in carrying out the State plan for that year will together have available during that year for expenditure from non-Federal sources for college and university extension and continuing education programs not less than the total amount actually expended by those institutions for college and university extension and continuing education programs from such sources during the fiscal year ending June 30, 1965, plus an amount equal to not less than the non-Federal share of the costs with respect to which payment pursuant to subsection (a) is sought.

---

[1] **Section 102(b) of P.L. 92–318 provides as follows:**

(b) The amendments made by the second sentence of paragraph (1) of subsection (a) and by paragraph (2) of such subsection shall be effective after June 30, 1972, and then—

"(1) only with respect to appropriations for title I of the Higher Education Act of 1965 for fiscal years beginning after June 30, 1972; and

"(2) only to the extent that the allotment to any State under section 103(a) of such title is not less for any fiscal year than the allotment to that State under such section 103(a) for the fiscal year ending June 30, 1972."

(c) Payments to a State under this title may be made in installments and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments, and they may be paid directly to the State or to one or more participating institutions of higher education designated for this purpose by the State, or to both.

(20 U.S.C. 1006) Enacted Nov. 8, 1965, P.L. 80–329, Title I, sec. 106, 79 Stat. 1221; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 203, 82 Stat. 1036; renumbered June 23, 1972, P.L. 92–318, Title I, sec. 102(a)(1), 86 Stat. 236.

ADMINISTRATION OF STATE PLANS

Sec. 108. (a) The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State agency or institution submitting the plan reasonable noice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency or institution administering a State plan approved under section 105(b), finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of section 105(a), or

(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify the State agency or institution that the State will not be regarded as eligible to participate in the program under this title until he is satisfied that there is no longer any such failure to comply.

(20 U.S.C. 1007) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 107, 79 Stat. 1222; renumbered June 23, 1972, P.L. 92–318, sec. 102(a)(1), 86 Stat. 236.

JUDICIAL REVIEW

Sec. 109. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under section 105(a) or with his final action under section 108(b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which the State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 1008) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 108, 79 Stat. 1222; renumbered June 23, 1972, P.L. 92–318, sec. 102(a)(1), 86 Stat. 236.

SPECIAL PROGRAMS AND PROJECTS RELATING TO PROBLEMS OF THE ELDERLY

SEC. 110. (a) The Commissioner is authorized to make grants to institutions of higher education (and combinations thereof) to assist such institutions in planning, developing, and carrying out, consistent with the purpose of this title, programs specifically designed to apply the resources of higher education to the problems of the elderly, particularly with regard to transportation and housing problems of elderly persons living in rural and isolated areas.

(b) For purposes of making grants under this section, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and each succeeding fiscal year ending prior to July 1, 1977.

(c) In carrying out the program authorized by this section, the Commissioner shall consult with the Commissioner of the Administration on Aging for the purpose of coordinating, where practicable, the programs assisted under this section with the programs assisted under the Older Americans Act of 1965.

(20 U.S.C. 1008–1) Enacted May 3, 1973, P.L. 93–29, sec. 803, 87 Stat. 59.

NATIONAL ADVISORY COUNCIL ON EXTENSION AND CONTINUING EDUCATION

SEC. 111. (a) The President shall, within ninety days of enactment of this title, appoint a National Advisory Council on Extension and Continuing Education (hereafter referred to as the "Advisory Council"), consisting of the Commissioner, who shall be Chairman, one representative each of the Department of Agriculture, Commerce, Defense, Labor, Interior, State, and Housing and Urban Development, and the Office of Economic Opportunity, and of such other Federal agencies having extension education responsibilities as the President may designate, and twelve members appointed, for staggered terms and without regard to the civil service laws, by the President. Such twelve members shall, to the extent possible, include persons knowledgeable in the fields of extension and continuing education, State and local officials, and other persons having special knowledge, experience, or qualification with respect to community problems, and persons representative of the general public. The Advisory Council shall meet at the call of the Chairman but not less often than twice a year.

(b) The Advisory Council shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including policies and procedures governing the approval of State plans under section 105(b), and policies to eliminate duplication and to effectuate the coordination of programs under this title and other programs offering extension or continuing education activities and services.

(e) The Advisory Council shall review the administration and effectiveness of all federally supported extension and continuing education programs, including community service programs, make recommendations with respect thereto, and make annual reports, commencing on March 31, 1967, of its findings and recommendations (including recommendations for changes in the provisions of this title and other Federal laws relating to extension and continuing education activities) to the Secretary and to the President. The President shall transmit each such report to the Congress together with his comments and recommendations.

(f) In carrying out its functions pursuant to this section, the Advisory Council may utilize the services and facilities of any agency of the Federal Government, in accordance with agreements between the Secretary and the head of such agency. Subject to section 448(b) of the General Education Provisions Act, the Advisory Council shall continue to exist through June 30, 1975.

(20 U.S.C. 1009) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 109, 79 Stat. 1223; subsections (d) and (e) repealed April 13, 1970, P.L. 91–320, sec. 401(h) and superseded by Part C of Title IV of P.L. 90–247 as amended; renumbered June 23, 1972, P.L. 92–318, sec. 102(a)(1), 86 Stat. 236; renumbered, May 3, 1973, P.L. 93–29, sec. 803, 87 Stat. 54; amended August 21, 1974, P.L. 93–380, sec. 831, 88 Stat. 603.

RELATIONSHIP TO OTHER PROGRAMS

Sec. 112. Nothing in this title shall modify authorities under the Act of February 23, 1917 (Smith-Hughes Vocational Education Act), as amended (20 U.S.C. 11–15, 16–28); the Vocational Education Act of 1946, as amended (20 U.S.C. 15i–15m, 15o–15q, 15aa–15jj, and 15aaa–15ggg); the Vocational Education Act of 1963 (20 U.S.C. 35–35n), title VIII of the Housing Act of 1964 (Public Law 88–560); or the Act of May 8, 1914 (Smith-Lever Act), as amended (7 U.S.C. 341–348).

(20 U.S.C. 1010) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec., 110, 79 Stat. 1224; renumbered June 23, 1972, P.L. 92–318, sec. 102(a)(1), 86 Stat. 236; renumbered May 3, 1973, P.L. 93–29, sec. 803, 87 Stat. 59.

LIMITATION

Sec. 113. No grant may be made under this title for any educational program, activity, or service related to sectarian instruction or religious worship, or provided by a school or department of divinity.

(20 U.S.C. 1011) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 111, 79 Stat. 1224; renumbered June 23, 1972, P.L. 92–318, sec. 102(a[illegible], 86 Stat. 236; amended June 23, 1972, P.L. 92–318, sec. 131(d)(2), 86 Sta[illegible]30; renumbered May 3, 1973, P.L. 93–29, sec. 803, 87 Stat. 59.

(Note:—Section 103 of P.L. 92–318 provides as follows:)

EVALUATION OF ACTIVITIES

Sec. 103. (a) During the period beginning with the date of enactment of this Act and ending July 1, 1974, the National Advisory Council on Extension and Continuing Education, hereafter in this section referred to as the National Advisory Council, shall conduct *a review of the programs and projects carried out with assistance under title I of the Higher Education Act of 1965 prior to July 1, 1973. Such review shall include an evaluation of specific programs and projects with a view toward ascertaining which of them show, or have shown (1) the greatest promise in achieving the purposes of such title, and (2) the greatest return for the resources devoted to them. Such review shall be carried out by direct evaluations by the National Advisory Council, by the use of other agencies, institutions, and groups, and by the use of independent appraisal units.*

(b) Not later than March 31, 1973, and March 31, 1975, the National Advisory Council shall submit to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives a report on the review conducted pursuant to subsection (a). Such report shall include (1) an evaluation of the program authorized by title I of the Higher Education Act of 1965 and of specific programs and projects assisted through payments under such title, (2) a description and an analysis of programs and projects which are determined to be most successful, and (3) recommendations with respect to the means by which the most successful programs and projects can be expanded and replicated.

(c) Sums appropriated pursuant to section 401(c) of the General Education Provisions Act for the purposes of section 402 of such Act shall be available to carry out the purposes of this section.

TITLE II—COLLEGE LIBRARY ASSISTANCE AND LIBRARY TRAINING AND RESEARCH[1]

COLLEGE LIBRARY PROGRAMS; TRAINING; RESEARCH

SEC. 201. (a) The Commissioner shall carry out a program of financial assistance—

(1) to assist and encourage institutions of higher education in the acquisition of library resources, including law library resources, in accordance with part A; and

(2) to assist with and encourage research and training persons in librarianship, including law librarianship, in accordance with part B.

(b) For the purpose of making grants under parts A and B, there are authorized to be appropriated $75,000,000 for the fiscal year ending June 30, 1973, $85,000,000 for the fiscal year ending June 30, 1974, and $100,000,000 for the fiscal year ending June 30, 1975. Of the sums appropriated pursuant to the preceding sentence for any fiscal year, 70 per centum shall be used for the purposes of part A and 30 per centum shall be used for the purposes of part B, except that the amount available for the purposes of part B for any fiscal year shall not be less than the amount appropriated for such purposes for the fiscal year ending June 30, 1972.

---

[1] Section 519 of P.L. 93-380 provides as follows:

"SEC. 519. (a) There is established, in the Office of Education, an Office of Libraries and Learning Resources (hereafter in this section referred to as the "Office"), through which the Commissioner shall administer all programs in the Office of Education related to assistance for, and encouragement of, libraries and information centers and education technology.

"(b) The Office shall be headed by a Director, to whom the Commissioner shall delegate his delegable functions with respect to the programs administered through the Office."

(c) For the purposes of this title—

(1) the term "library resources" means books, periodicals, documents, magnetic tapes, phonograph records, audiovisual materials, and other related library materials, including necessary binding; and

(2) the term "librarianship" means the principles and practices of the library and information sciences, including the acquisition, organization, storage, retrieval and dissemination of information, and reference and research use of library and information resources.

(20 U.S.C. 1021) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 201, 79 Stat. 1124; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 211, 82 Stat. 1036; amended June 23, 1972, P.L. 92–138, Title I, sec. 111(b) (1), 86 Stat. 238.

PART A—COLLEGE LIBRARY RESOURCES

BASIC GRANTS

SEC. 202. From the amount available for grants under this part pursuant to section 201 for any fiscal year, the Commissioner shall make basic grants for the purposes set forth in section 201(a)(1) to institutions of higher education, to combinations of such institutions, to new institutions of higher education in the fiscal year preceding the fiscal year in which students are to be enrolled (in accordance with criteria prescribed by regulation), and other public and private nonprofit library institutions whose primary function is to provide library and information services to institutions of higher education on a formal, cooperative basis. The amount of a basic grant shall, for any fiscal year, be equal to the amount expended by the applicant for library resources during that year from funds other than funds received under this part, except that no basic grant shall exceed $5,000 for each such institution of higher education and each branch of such institution which is located in a community different from that in which its parent institution is located, as determined in accordance with regulations of the Commissioner, and a basic grant under this subsection may be made only if the application therefor is approved by the Commissioner upon his determination that the application (whether by an individual institution or a combination of institutions)—

(1) provides satisfactory assurance that the applicant will expend during the fiscal year for which the basic grant is sought, from funds other than funds received under this part—

(A) for all library purposes (exclusive of construction), an amount not less than the average annual amount it expended for such purposes during the two fiscal years preceding the fiscal year for which assistance is sought under this part, and

(B) for library resources, an amount not less than the average amount it expended for such resources during the two fiscal years preceding the fiscal year for which assistance is sought under this part,

except that, if the Commissioner determines, in accordance with regulations, that there are special and unusual circumstances which prevent the applicant from making the assurances required by this clause (1), he may waive that requirement for one or both of such assurances;

(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(3) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(20 U.S.C. 1022) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 202, 79 Stat. 1224; amended Nov. 3, 1966, P.L. 89–752, sec. 9, 80 Stat. 1243; amended Oct 16, 1968, P.L. 90–575, Title II, sec. 214, 82 Stat. 1037; amended June 23, 1972, P.L. 92–318, Title I, sec. 111 (b) (2) (A), 86 Stat. 238; amended and redesignated June 23, 1972, P.L. 92–318, Title I, sec. 112, 86 Stat. 240.

SUPPLEMENTAL GRANTS

SEC. 203. (a) From that part of the sums appropriated pursuant to section 201 for the purposes of this part for any fiscal year which remains after making basic grants pursuant to section 202, and which is not reserved for the purposes of section 204, the Commissioner shall make supplemental grants for the purposes set forth in section 201 (a) (1) to institutions of higher education (and to each branch of such institution which is located in a community different from that in which its parent institution is located, as determined in accordance with regulations of the Commissioner) and combinations of such institutions. The amount of a supplemental grant shall not exceed $20 for each full-time student (including the full-time equivalent of the number of part-time students) enrolled in each such institution (or branch), as determined pursuant to regulations of the Commissioner. A supplemental grant may be made only upon application therefor, in such form and containing such information as the Commissioner may require, which application shall—

(1) meet the application requirements set forth in section 202;

(2) describe the size and quality of the library resources of the applicant in relation to its present enrollment and any expected increase in its enrollment;

(3) set forth any special circumstances which are impeding or will impede the proper development of its library resources; and

(4) provide a general description of how a supplemental grant would be used to improve the size or quality of its library resources.

(b) The Commissioner shall approve applications for supplemental grants on the basis of basic criteria prescribed in regulations and developed after consultation with the Council created under section 205. Such basic criteria shall be such as will best tend to achieve the objectives of this part and they (1) may take into consideration factors such as the size and age of the library collection and student enrollment, and (2) shall give priority to institutions in need of financial assistance for library purposes.

(20 U.S.C. 1023) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 203, 79 Stat. 1225; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 212(a); amended June 23, 1972, P.L. 92–318, Title I, sec. 111(b)(2)(B), 86 Stat. 239; sec. 112(b)(2), 86 Stat. 240; and sec. 113(a), 86 Stat. 240.

SPECIAL PURPOSE GRANTS

SEC. 204. (a)(1) From the sums appropriated pursuant to section 201 for the purposes of this part for any fiscal year, the Commissioner is authorized to reserve not to exceed 25 per centum thereof for the purposes of this section.

(2) Sums received pursuant to paragraph (1) may be used to make special grants (A) to institutions of higher education (or to branches of such institutions which are located in a community different from that in which the parent institution is located, as determined in accordance with regulations of the Commissioner) which demonstrate a special need for additional library resources and which demonstrate that such additional library resources will make a substantial contribution to the quality of their educational resources, (B) to institutions of higher education (or to such branches) to meet special national or regional needs in the library and information sciences, (C) to combinations of institutions of higher education which need special assistance in establishing and strengthening joint-use facilities. Grants under this section may be used only for books, periodicals, documents, magnetic tapes, phonograph records, audiovisual materials, and other related library materials (including necessary binding), and (D) to other public and private nonprofit library institutions which provide library and information services to institutions of higher education on a formal, cooperative basis.

(b) Grants pursuant to paragraph (2) shall be made upon application providing satisfactory assurance that (1) the applicant (or applicants jointly in the case of a combination of institutions) will expend during the fiscal year for which the grant is requested (from funds other than funds received under this part) for the same purpose as such grant an amount from such other sources equal to not less than 33⅓ per centum of such grant, and (2) in addition each such applicant will expend during such fiscal year (from such other sources) for all library purposes (exclusive of construction) an amount not less than the average annual amount it expended for such purposes during the two-year period ending June 30, 1965, or during the two fiscal years preceding the fiscal year for which the grant is requested, whichever is less.

(20 U.S.C. 1024) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 204, 79 Stat. 1226; amended Oct. 16, 1968, P.L. 90–575, Title II, secs. 212(b), 213, 82 Stat. 1036–1037; amended June 23, 1972, P.L. 92–318, Title I, sec. 111(b)(2)(C), 86 Stat. 239.

ADVISORY COUNCIL ON COLLEGE LIBRARY RESOURCES

SEC. 205. (a) The Commissioner shall establish in the Office of Education an Advisory Council on College Library Resources consisting of the Commissioner, who shall be Chairman, and eight members appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary.

(b) The Advisory Council shall advise the Commissioner with respect to establishing criteria for the making of supplemental grants under section 203 and the making of special purpose grants under section 204. The Commissioner may appoint such special advisory and technical experts and consultants as may be useful in carrying out the functions of the Advisory Council.

(20 U.S.C. 1025) Enacted Nov. 8, 1965, P.L. 89-329, Title II, sec. 205, 79 Stat. 1226; subsection (c) repealed April 13, 1970, P.L. 91-230, sec. 401 (h) and superseded by pt. C of title IV of P.L. 90-247, as amended. (20 U.S.C. 1233c)

ACCREDITATION REQUIREMENT FOR PURPOSES OF THIS PART

Sec. 206. For the purposes of this part, an educational institution shall be deemed to have been accredited by a nationally recognized accrediting agency or association if the Commissioner determines that there is satisfactory assurance that upon acquisition of the library resources with respect to which assistance under this part is sought, or upon acquisition of those resources and other library resources planned to be acquired within a reasonable time, the institution will meet the accreditation standards of such agency or association.

(20 U.S.C. 1026) Enacted Nov. 8, 1965, P.L. 89-329, Title II, sec. 206, 79 Stat. 1226.

LIMITATIONS

Sec. 207. No grant may be made under this part for books, periodicals, documents, or other related materials to be used for sectarian instruction or religious worship, or primarily in connection with any part of the program of a school or department of divinity.

(20 U.S.C. 1207) Enacted Nov. 8, 1965, P.L. 89-329, Title II, sec. 207, 79 Stat. 1227; amended June 23, 1972, P.L. 92-318, sec. 131(d) (2), 86 Stat. 260.

CONSULTATION WITH STATE AGENCY

Sec. 208. Each institution of higher education which receives a grant under this part shall periodically inform the State agency (if any) concerned with the educational activities of all institutions of higher education in the State in which such institution is located, of its activities under this part.

(20 U.S.C. 1028) Enacted Nov. 8, 1965, P.L. 89-329, Title II, sec. 208, 79 Stat. 1227.

Part B—Library Training and Research

TRAINING AND RESEARCH PROGRAMS

Sec. 221. From the amount available for grants under this part pursuant to section 201 for any fiscal year, the Commissioner shall carry out a program of making grants in accordance with sections 222 and 223. Of such amount, 66⅔ per centum shall be available for the purposes of section 222 and 33⅓ per centum shall be available for the purposes of section 223.

(20 U.S.C. 1031) Enacted June 23, 1972, P.L. 92-318, Title I, sec. 111(b) (3) (A), 86 Stat. 239.

SEC. 222. (a) The Commissioner is authorized to make grants to institutions of higher education and library organizations or agencies to assist them in training persons in librarianship. Such grants may be used by such institutions, library organizations or agencies (1) to assist in covering the cost of courses of training or study (including short term or regular session institutes) for such persons, (2) for establishing and maintaining fellowships or traineeships with stipends (including allowances for traveling, subsistence, and other expenses) for fellows and others undergoing training and their dependents, not in excess of such maximum amounts as may be prescribed by the Commissioner, and (3) for establishing, developing, or expanding programs of library and information science. Not less than 50 per centum of the grants made under this subsection shall be for the purpose of establishing and maintaining fellowships or traineeships under clause (2).

(b) The Commissioner may make a grant to an institution of higher education and library organizations or agencies only upon application by the institution and only upon his finding that such program will substantially further the objective of increasing the opportunities throughout the Nation for training in librarianship.

(20 U.S.C. 1033) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 223, 79 Stat. 1227; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 216, 82 Stat. 1037; amended June 23, 1972, P.L. 92–318, Title I, secs. 111(b)(3)(B) and (K); redesignated by P.L. 92–318, sec. 111(b)(3)(D), 86 Stat. 240.

RESEARCH AND DEMONSTRATIONS RELATING TO LIBRARIES AND THE TRAINING OF LIBRARY PERSONNEL

SEC. 223. (a) The Commissioner is authorized to make grants to institutions of higher education and other public or private agencies, institutions, and organizations, for research and demonstration projects relating to the improvement of libraries or the improvement of training in librarianship, including the development of new techniques, systems, and equipment for processing, storing, and distributing information, and for the dissemination of information derived from such research and demonstrations, and, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), to provide by contracts with them for the conduct of such activities; except that no such grant may be made to a private agency, organization, or institution other than a nonprofit one.

(b) The Commissioner is authorized to appoint a special advisory committee of not more than nine members to advise him on matters of general policy concerning research and demonstration projects relating to the improvement of libraries and the improvement of training in librarianship, or concerning special services necessary thereto or special problems involved therein.

(20 U.S.C. 1034) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 224, 79 Stat. 1228; subsec. (c) repealed Apr. 13, 1970, P.L. 91–230, sec. 401(h) and superseded by pt. C of title IV of P.L. 90–247, as amended. (20 U.S.C. 1233c.); redesignated June 23, 1972, P.L. 92–318, Title I. sec. 111(b)(3)(D), 86 Stat. 240.

PART C—STRENGTHENING COLLEGE AND RESEARCH LIBRARY RESOURCES

APPROPRIATIONS AUTHORIZED

SEC. 231. There are hereby authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1966, $6,315,000 for the fiscal year ending June 30, 1967, $7,700,000 for the fiscal year ending June 30, 1968, $6,000,000 for the fiscal year ending June 30, 1969, $11,000,000 for the fiscal year ending June 30, 1970, and $9,000,000 for the fiscal year ending June 30, 1972, $12,000,000 for the fiscal year ending June 30, 1973, $15,000,000 for the fiscal year ending June 30, 1974, and $9,000,000 for the fiscal year ending June 30, 1975, to enable the Commissioner to transfer funds to the Librarian of Congress for the purpose of—

(1) acquiring, so far as possible, copies of all library materials currently published throughout the world which are of value to scholarship;

(2) providing catalog information promptly and distributing this and other bibliographic information about library materials by printing catalog cards and by other means, and enabling the Library of Congress to use for exchange and other purposes such of these materials as are not needed for its own collections; and

(3) enabling the Librarian of Congress to pay administrative costs of cooperative arrangements for acquiring library materials published outside of the States and not readily obtainable outside of the country of origin, for institutions of higher education or combinations thereof for library purposes, or for other public or private nonprofit research libraries.

(20 U.S.C. 1041) Enacted Nov. 8, 1965, P.L. 80–329, Title II, sec. 231, 79 Stat. 1228; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 217, 218, 82 Stat. 1037–1038; amended June 23, 1972, P.L. 92–318, title I, sec. 114, 86 Stat. 240.

EVALUATION AND REPORT

Sec. 232. No later than March 31 of each calendar year the Librarian of the Congress shall transmit to the respective committees of the Congress having legislative jurisdiction over this part and to the respective Committees on Appropriations of the Congress a report evaluating the results and effectiveness of acquisition and cataloging work done under this part, based to the maximum extent practicable on objective measurements, including costs, together with recommendations as to proposed legislative action.

(20 U.S.C. 1042) Enacted June 23, 1972, P.L. 92–318, Title I, sec. 115(a), 86 Stat. 241.

TITLE III—STRENGTHENING DEVELOPING INSTITUTIONS

AUTHORIZATION

SEC. 301. (a) The Commissioner shall carry out a program of special assistance to strengthen the academic quality of developing institutions which have the desire and potential to make a substantial contribution to the higher education resources of the Nation but which are struggling for survival and are isolated from the main currents of academic life.

(b) (1) For the purpose of carrying out this title, there are authorized to be appropriated $120,000,000 for the fiscal year ending June 30, 1973, and for each of the succeeding fiscal years ending prior to July 1, 1975.

(2) Of the sums appropriated pursuant to this subsection for any fiscal year, 76 per centum shall be available only for carrying out the provisions of this title with respect to developing institutions which plan to award one or more bachelor's degrees during such year.

(3) The remainder of the sums so appropriated shall be available only for carrying out the provisions of this title with respect to developing institutions which do not plan to award such a degree during such year.

(20 U.S.C. 1051) Enacted June 23, 1972, P.L. 92–318, Title I, sec. 121(a), 86 Stat. 241.

ELIGIBILITY FOR SPECIAL ASSISTANCE

SEC. 302. (a) (1) For the purposes of this title, the term "developing institution" means an institution of higher education in any State which—

(A) is legally authorized to provide, and provides within the State, an educational program for which it awards a bachelor's degree, or is a junior or community college;

(B) is accredited by a nationally recognized accrediting agency or association determined by the Commissioner to be reliable authority as to the quality of training offered or is, according to such an agency or association, making reasonable progress toward accreditation;

(C) except as is provided in paragraph (2), has met the requirement of clauses (A) and (B) during the five academic years preceding the academic year for which it seeks assistance under this title; and

(D) meets such other requirements as the Commissioner shall prescribe by regulation, which requirements shall include at least a determination that the institution—

(i) is making a reasonable effort to improve the quality of its teaching and administrative staffs and of its student services; and

(ii) is, for financial or other reasons, struggling for survival and isolated from the main currents of academic life.

(2) The Commissioner is authorized to waive the requirements set forth in clause (C) of paragraph (1) in the case of applications for grants under this title by institutions located on or near an Indian reservation or a substantial population of Indians if the Commissioner determines such action will increase higher education for Indians, except that such grants may not involve an expenditure of funds in excess of 1.4 per centum of the sums appropriated pursuant to this title for any fiscal year. The Commissioner is authorized to waive three years of the requirements set forth in clause (C) of paragraph (1) in the case of applications for grants under this title by institutions if the Commissioner determines such action will substantially increase higher education for Spanish-speaking people.

(b) Any institution desiring special assistance under the provisions of this title shall submit an application for eligibility to the Commissioner at such time, in such form, and containing such information, as may be necessary to enable the Commissioner to evaluate the need of the applicant for such assistance and to determine its elgibility to be a developing institution for the purposes of this title. The Commissioner shall approve any application for eligibility under this subsection which indicates that the applicant is a developing institution meeting the requirements set forth in subsection (a).

(c) For the purposes of clause (A) of paragraph (1) of subsection (a) of this section, the term "junior or community college" means an institution of higher education—

(1) which does not provide an educational program for which it awards a bachelor's degree (or an equivalent degree);

(2) which admits as regular students only persons having a certificate of graduation from a school providing secondary education (or the recognized equivalent of such a certificate); and

(3) which does—

(A) provide an educational program of not less than two years which is acceptable for full credit toward such a degree, or

(B) offer a two-year program in engineering, mathematics, or the physical or biological sciences, which program is designed to prepare a student to work as a technician and at the semiprofessional level in engineering, scientific, or other technological fields, which fields require the understanding and application of basic engineering, scientific, or mathematical principles of knowledge.

(20 U.S.C. 1052) Enacted June 23, 1972, P.L. 92–318, Title I, sec. 121(a), 86 Stat. 241, 242; amended August 21, 1974, P.L. 93–380, sec. 832, 88 Stat. 603.

ADVISORY COUNCIL ON DEVELOPING INSTITUTIONS

SEC. 303. (a) There is hereby established an Advisory Council on Developing Institutions (in this title referred to as the "Council") consisting of nine members appointed by the Commissioner with the approval of the Secretary.

(b) The Council shall, with respect to the program authorized by this title, carry out the duties and functions specified by part C of the General Education Provisions Act and, in particular, it shall assist the Commissioner—

(1) in identifying developing institutions through which the purposes of this title may be achieved; and

(2) in establishing the priorities and criteria to be used in making grants under section 304(a).

(20 U.S.C. 1053) Enacted June 23, 1972, P.L. 92–318, Title I, sec. 121(a), 86 Stat. 242, 243.

USES OF FUNDS: COOPERATIVE ARRANGEMENTS, NATIONAL TEACHING FELLOWSHIP, AND PROFESSORS EMERITUS

SEC. 304. (a) The Commissioner is authorized to make grants and awards, in accordance with the provisions of this title, for the purpose of strengthening developing institutions. Such grants and awards shall be used solely for the purposes set forth in subsection (b).

(b) Funds appropriated pursuant to section 301(b) shall be available for—

(1) grants to institutions of higher education to pay part of the cost of planning, developing, and carrying out cooperative arrangements between developing institutions and other institutions of higher education, and between developing institutions and other organizations, agencies, and business entities, which show promise as effective measures for strengthening the academic program and the administrative capacity of developing institutions, including such projects and activities as—

(A) exchange of faculty or students, including arrangements for bringing visiting scholars to developing institutions,

(B) faculty and administration improvement programs, utilizing training, education (including fellowships leading to advanced degrees), internships, research participation, and other means,

(C) introduction of new curricula and curricular materials,

(D) development and operation of cooperative education programs involving alternate periods of academic study and business or public employment, and

(E) joint use of facilities such as libraries or laboratories, including necessary books, materials, and equipment;

(2) National Teaching Fellowships to be awarded by the Commissioner to highly qualified graduate students and junior faculty members of institutions of higher education for teaching at developing institutions; and

(3) Professors Emeritus Grants to be awarded by the Commissioner to professors retired from active service at institutions of higher education to encourage them to teach or to conduct research at developing institutions.

(c)(1) An application for assistance for the purposes described in subsection (b)(1) shall be approved only if it—

(A) sets forth a program for carrying out one or more of the activities described in subsection (b)(1), and sets forth such policies and procedures for the administration of the program as will insure the proper and efficient operation of the program and the accomplishment of the purposes of this title;

(B) sets forth such policies and procedures as will insure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds be made available for the purposes of the activities described in subsection (b)(1), and in no case supplant such funds;

(C) sets forth policies and procedures for the evaluation of the effectiveness of the project or activity in accomplishing its purpose;

(D) provides for such fiscal control and fund accounting procedures as may be necessary to insure proper disbursement of and accounting for funds made available under this title to the applicant; and

(E) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this title, and for keeping such records and affording such access thereto, as he may find necessary to assure the correctness and verification of such reports.

The Commissioner shall, after consultation with the Council, establish by regulation criteria as to eligible expenditures for which funds from grants for cooperative arrangements under clause (1) of subsection (b) may be used, which criteria shall be so designed as to prevent the use of such funds for purposes not necessary to the achievement of the purposes for which the grant is made.

(2)(A) Applications for awards described in clauses (2) and (3) of subsection (b) may be approved only upon a finding by the Commissioner that the program of teaching or research set forth therein is reasonable in the light of the qualifications of the applicant and of the educational needs of the institution at which the applicant intends to teach.

(B) No application for a National Teaching Fellowship or a Professors Emeritus Grant shall be approved for an award of such a fellowship or grant for a period exceeding two academic years, except that the award of a Professors Emeritus Grant may be for such period, in addition to such two-year period of award, as the Commissioner, upon the advice of the Council, may determine in accordance with policies of the Commissioner set forth in regulations.

(C) Each person awarded a National Teaching Fellowship or a Professors Emeritus Grant shall receive a stipend for each academic year of teaching (or, in the case of a recipient of a Professors Emeritus Grant, research) as determined by the Commissioner upon the advice of the Council, plus an additional allowance for each such year for each dependent of such person. In the case of National Teaching Fellowships, such allowance may not exceed $7,500, plus $400 for each dependent.

(20 U.S.C. 1054) Enacted June 23, 1972, P.L. 92-318, title I, sec. 121(a), 86 Stat. 243, 244.

ASSISTANCE TO DEVELOPING INSTITUTIONS UNDER OTHER PROGRAMS

SEC. 305. (a) Each institution which the Commissioner determines meets the criteria set forth in section 302(a) shall be eligible for waivers in accordance with subsection (b).

(b)(1) Subject to, and in accordance with, regulations promulgated for the purpose of this section, in the case of any application by a developing institution for assistance under any programs specified in paragraph (2), the Commissioner is authorized, if such application is otherwise approvable, to waive any requirement for a non-Federal share of the cost of the program or project, or, to the extent not inconsistent with other law, to give, or require to be given, priority consideration of the application in relation to applications from institutions which are not developing institutions.

(2) The provisions of this section shall apply to any program authorized by title II, IV, VI, or VII of this Act.

(c) The Commissioner shall not waive, under subsection (b), the non-Federal share requirement for any program for applications which if approved, would require the expenditure of more than 10 per centum of the appropriations for the program for any fiscal year.

(20 U.S.C. 1055) Enacted June 23, 1972, P.L. 92-318, Title I, sec. 121(a), 86 Stat. 244.

LIMITATION

SEC. 306. None of the funds appropriated pursuant to section 301 (b)(1) shall be used for a school or department of divinity or for any religious worship or sectarian activity.

(20 U.S.C. 1056) Enacted June 23, 1972, P.L. 92-318, Title I, sec. 121(a), 86 Stat. 245

TITLE IV—STUDENT ASSISTANCE

PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION

STATEMENT OF PURPOSE; PROGRAM AUTHORIZATION

SEC. 401. (a) It is the purpose of this part, to assist in making available the benefits of postsecondary education to qualified students in institutions of higher education by—

(1) providing basic educational opportunity grants (hereinafter referred to as "basic grants") to all eligible students;

(2) providing supplemental educational opportunity grants (hereinafter referred to as "supplemental grants") to those students of exceptional need who, for lack of such a grant, would be unable to obtain the benefits of a postsecondary education;

(3) providing for payments to the States to assist them in making financial aid available to such students;

(4) providing for special programs and projects designed (A) to identify and encourage qualified youths with financial or cultural need with a potential for postsecondary education, (B) to prepare students from low-income families for postsecondary education, and (C) to provide remedial (including remedial language study) and other services to students; and

(5) providing assistance to institutions of higher education.

(b) The Commissioner shall, in accordance with subparts 1, 2, 3, 4 and 5, carry out programs to achieve the purposes of this part.

(20 U.S.C. 1070) Enacted June 23, 1972, P.L. 92-318, sec. 131(b)(1), 86 Stat. 247-248; amended June 23, 1972, P.L. 92-318, sec. 1001(c), 86 Stat. 381.

SUBPART 1—BASIC EDUCATIONAL OPPORTUNITY GRANTS

BASIC EDUCATIONAL OPPORTUNITY GRANTS: AMOUNT AND DETERMINATIONS; APPLICATIONS

SEC. 411. (a)(1) The Commissioner shall, during the period beginning July 1, 1972, and ending June 30, 1975, pay to each student who has been accepted for enrollment in, or is in good standing at, an institution of higher education (according to the prescribed standards, regulations, and practices of that institution) for each academic year during which that student is in attendance at that institution, as an undergraduate, a basic grant in the amount for which that student is eligible, as determined pursuant to paragraph (2).

(2)(A)(i) The amount of the basic grant for a student eligible under this subpart for any academic year shall be $1,400, less an amount equal to the amount determined under paragraph (3) to be the expected family contribution with respect to that student for that year.

(ii) In any case where a student attends an institution of higher education on less than a full-time basis during any academic year, the amount of the basic grant to which that student is entitled shall be reduced in proportion to the degree to which that student is not so attending on a full-time basis, in accordance with a schedule of reductions established by the Commissioner for the purposes of this division. Such schedule of reductions shall be established by regulation and published in the Federal Register not later than February 1 of each year.

(B)(i) The amount of a basic grant to which a student is entitled under this subpart for any academic year shall not exceed 50 per centum of the actual cost of attendance at the institution at which the student is in attendance for that year.

(ii) No basic grant under this subpart shall exceed the difference between the expected family contribution for a student and the actual cost of attendance at the institution at which that student is in attendance. If with respect to any student, it is determined that the amount of a basic grant plus the amount of the expected family contribution for that student exceeds the actual cost of attendance for that year, the amount of the basic grant shall be reduced until the combination of expected family contribution and the amount of the basic grant does not exceed the actual cost of attendance at such institution.

(iii) No basic grant shall be awarded to a student under this subpart if the amount of that grant for that student as determined under this paragraph for any academic year is less than $200. Pursuant to criteria established by the Commissioner by regulation, the institution of higher education at which a student is in attendance may award a basic grant of less than $200 upon a determination that the amount of the basic grant for that student is less than $200 because of the requirement of division (i) and that, due to exceptional circumstances, this reduced grant should be made in order to enable the student to benefit from postsecondary education.

(iv) For the purpose of this subparagraph and subsection (b) the term "actual cost of attendance" means, subject to regulations of the Commissioner, the actual per-student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as the Commissioner determines by regulation to be reasonably related to attendance at the institution at which the student is in attendance.

(3)(A)(i) Not later than February 1 of each year the Commissioner shall publish in the Federal Register a schedule of expected family contributions for the succeeding academic year for various levels of family income, which, except as is otherwise provided in division (ii), together with any amendments thereto, shall become effective July 1 of that year. During the thirty-day period following such publication the Commissioner shall provide interested parties with an opportunity to present their views and make recommendations with respect to such schedule.

(ii) The schedule of expected family contributions required by division (i) for each academic year shall be submitted to the President of the Senate and the Speaker of the House of Representatives not later than February 1 of that year. If either the Senate or the House of Representatives adopts, prior to May 1 of such year, a resolution of disapproval of such schedule, the Commissioner shall publish a new schedule of expected family contributions in the Federal Register not later than fifteen days after the adoption of such resolution of disapproval. Such new schedule shall take into consideration such recommendations as may be made in connection with such resolution and shall become effective, together with any amendments thereto, on July 1 of that year.

(B)(i) For the purposes of this paragraph and subsection (b), the term "family contribution" with respect to any student means the amount which the family of that student may be reasonably expected to contribute toward his postsecondary education for the academic year for which the determination under subparagraph (A) of paragraph (2) is made, as determined in accordance with regulations. In promulgating such regulations, the Commissioner shall follow the basic criteria set forth in division (ii) of this subparagraph.

(ii) The basic criteria to be followed in promulgating regulations with respect to expected family contributions are as follows:

(I) The amount of the effective income of the student or the effective family income of the student's family.

(II) The number of dependents of the family of the student.

(III) The number of dependents of the student's family who are in attendance in a program of postsecondary education and for whom the family may be reasonably expected to contribute for their postsecondary education.

(IV) The amount of the assets of the student and those of the student's family.

(V) Any unusual expenses of the student or his family, such as unusual medical expenses, and those which may arise from a catastrophe.

(iii) For the purposes of clause (I) of division (ii), the term "effective family income" with respect to a student means the annual adjusted family income, as determined in accordance with regulations prescribed by the Commissioner, received by the parents or guardian of that student (or the person or persons having an equivalent relationship to such student) minus Federal income tax paid or payable with respect to such income.

(iv) In determining the expected family contribution with respect to any student, any amount paid under the Social Security Act to, or on account of, the student which would not be paid if he were not a student, and one-half any amount paid the student under chapters 34 and 35 of title 38, United States Code, shall be considered as effective income for such student.

(C) The Commissioner shall promulgate special regulations for determining the expected family contribution and effective family income of a student who is determined (pursuant to regulations of the Commissioner) to be independent of his parents or guardians (or the person or persons having an equivalent relationship to such student). Such special regulations shall be consistent with the basic criteria set forth in division (ii) of subparagraph (B).

(4) (A) The period during which a student may receive basic grants shall be the period required for the completion of the undergraduate course of study being pursued by that student at the institution at which the student is in attendance, except that such period may not exceed four academic years unless—

(i) the student is pursuing a course of study leading to a first degree in a program of study which is designed by the institution offering it to extend over five academic years; or

(ii) the student is, or will be, unable to complete a course of study within four academic years because of a requirement of the institution of such course of study that the student enroll in a noncredit remedial course of study;

in either which case such period may be extended for not more than one additional academic year.

(B) For the purposes of clause (ii) of subparagraph (A), a "noncredit remedial course of study" is a course of study for which no credit is given toward an academic degree, and which is designed to increase the ability of the student to engage in an undergraduate course of study leading to such a degree.

(b) (1) The Commissioner shall from time to time set dates by which students must file applications for basic grants under this subpart.

(2) Each student desiring a basic grant for any year must file an application therefor containing such information and assurances as the Commissioner may deem necessary to enable him to carry out his functions and responsibilities under this subpart.

(3) (A) Payments under this section shall be made in accordance with regulations promulgated by the Commissioner for such purpose, in such manner as will best accomplish the purposes of this section.

(B) (i) If, during any period of any fiscal year, the funds available for payments under this subpart are insufficient to satisfy fully all entitlements under this subpart, the amount paid with respect to each such entitlement shall be—

(I) in the case of any entitlement which exceeds $1,000, 75 per centum thereof;

(II) in the case of any entitlement which exceeds $800 but does not exceed $1,000, 70 per centum thereof;

(III) in the case of any entitlement which exceeds $600 but does not exceed $800, 65 per centum thereof; and

(IV) in the case of any entitlement which does not exceed $600, 50 per centum thereof.

(ii) If, during any period of any fiscal year, funds available for making payments under this subpart exceed the amount necessary to make the payments prescribed in division (i), such excess shall be paid with respect to each entitlement under this subpart in proportion to the degree to which that entitlement is unsatisfied, after payments are made pursuant to division (i).

(iii) In the event that, at the time when payments are to be made pursuant to this subparagraph (B), funds available therefor are insufficient to pay the amounts set forth in division (i), the Commissioner shall pay with respect to each entitlement an amount which bears the same ratio to the appropriate amount set forth in division (i) as the total amount of funds so available at such time for such payments bears to the amount necessary to pay the amounts indicated in division (i) in full.

(iv) No method of computing or manner of distribution of payments under this subpart shall be used which is not consistent with this subparagraph.

(v) In no case shall a payment under this subparagraph be made if the amount of such payment after application of the provisions of this subparagraph is less than $50.

(C)(i) During any fiscal year in which the provisions of subparagraph (B) apply, a basic grant to any student shall not exceed 50 per centum of the difference between the expected family contribution for that student and the actual cost of attendance at the institution in which the student is enrolled, unless sums available for making payments under this subsection for any fiscal year equal more than 75 per centum of the total amount to which all students are entitled under this subpart for that fiscal year, in which case no basic grant shall exceed 60 per centum of such difference.

(ii) The limitation set forth in division (i) shall, when applicable, be in lieu of the limitation set forth in subparagraph (B) (i) of subsection (a)(2).

(4) No payments may be made on the basis of entitlements established under this subpart during any fiscal year ending prior to July 1, 1975, in which—

(A) the appropriation for making grants under subpart 2 of this part does not at least equal $130,093,000; and

(B) the appropriation for work-study payments under section 441 of this title does not at least equal $237,400,000; and

(C) the appropriation for capital contributions to student loan funds under part E of this title does not at least equal $286,000,000.

(20 U.S.C. 1070a) Enacted June 23, 1972, P.L. 92–318, sec. 131(b)(1). 86 Stat. 247–251.

SUBPART 2—SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS

PURPOSE; APPROPRIATIONS AUTHORIZED

SEC. 413A. (a) It is the purpose of this subpart to provide, through institutions of higher education, supplemental grants to assist in making available the benefits of postsecondary education to qualified students who, for lack of financial means, would be unable to obtain such benefits without such a grant.

(b)(1) For the purpose of enabling the Commissioner to make payments to institutions of higher education which have made agreements with the Commissioner in accordance with section 413C(b), for use by such institutions for payments to undergraduate students for the initial academic year of a supplemental grant awarded to them under this subpart, there are authorized to be appropriated $200,000,000 for the fiscal year ending June 30, 1973, and for each of the succeeding fiscal years ending prior to July 1, 1975. Funds appropriated pursuant to this paragraph shall be appropriated separate from any funds appropriated pursuant to paragraph (2).

(2) In addition to the sums authorized to be appropriated by paragraph (1), there are authorized to be appropriated such sums as may be necessary for payment to institutions of higher education for use by such institutions for making continuing supplemental grants under this subpart, except that no appropriation may be made pursuant to this paragraph for any fiscal year beginning more than three years after the last fiscal year for which an appropriation is authorized under paragraph (1). Funds appropriated pursuant to this paragraph shall be appropriated separate from any funds appropriated pursuant to paragraph (1).

(3) Sums appropriated pursuant to this subsection for any fiscal year shall be available for payments to institutions until the end of the fiscal year succeeding the fiscal year for which they were appropriated.

(4) For the purposes of this subsection, payment for the first year of a supplemental grant shall not be considered as an initial year payment if the grant was awarded for the continuing education of a student who—

(A) had been previously awarded a supplemental grant under this subpart (whether by another institution or otherwise), and

(B) had received payment for any year of that supplemental grant.

(20 U.S.C. 1070b) Enacted June 23, 1972, P.L. 92-318, sec. 131(b)(1), 86 Stat. 251, 252.

AMOUNT AND DURATION OF GRANTS

SEC. 413B. (a)(1) From the funds received by it for such purpose under this subpart, an institution which awards a supplemental grant to a student for an academic year under this subpart shall, for such year, pay to that student an amount determined pursuant to paragraph (2).

(2)(A)(i) The amount of the payment to any students pursuant to paragraph (1) shall be equal to the amount determined by the institution to be needed by that student to enable him to pursue a course of study at the institution, except that such amount shall not exceed—

(I) $1,500, or

(II) one-half the sum of the total amount of student financial aid provided to such student by such institution,

whichever is the lesser.

(ii) No student shall be paid during all the academic years he is pursuing his undergraduate course of study at one or more institutions of higher education in excess of $4,000 or in the case of any student to whom the provisions of subsection (b)(1)(B) apply, $5,000.

(iii) For the purposes of clause (II) of division (i), the term "student financial aid" includes assistance payments to the student under subpart 1 of this part and parts C and E of this title, and any assistance provided to a student under any scholarship program established by a State or a private institution or organization, as determined in accordance with regulations, shall be deemed to be aid provided such student by the institution.

(B) If the amount determined under division (i) of subparagraph (A) with respect to a student for any academic year is less than $200, no payment shall be made to that student for that year.

(C) Subject to subparagraphs (A) and (B), the Commissioner shall prescribe, for the guidance of institutions, basic criteria and schedules for the determination of the amount of need to be determined under division (i) of subparagraph (A). Such criteria and schedules shall take into consideration the objectives of limiting assistance under this subpart to students of financial need, and such other factors related to determining the need of students for financial assistance as the Commissioner deems relevant but such criteria or schedules shall not disqualify an applicant on account of his earned income if income from other sources in the amount of such earned income would not disqualify him.

(b)(1)(A) A student eligible for a supplemental grant may be awarded such a grant under this subpart for each academic year of the period required for completion by the recipient of his undergraduate course of study in the institution of higher education from which he received such grant.

(B) A student may not receive supplemental grants under this subpart for a period of more than four academic years, except that in the case of a student—

(i) who is pursuing a course of study leading to a first degree in a program of study which is designed by the institution offering it to extend over five academic years, or

(ii) who is because of his particular circumstances determined by the institution to need an additional year to complete a course of study normally requiring four academic years,

such period may be extended for not more than one additional academic year.

(2) A supplemental grant awarded under this subpart shall entitle the student to whom it is awarded to payments pursuant to such grant only if—

(A) that student is maintaining satisfactory progress in the course of study he is pursuing, according to the standards and practices of the institution awarding the grant, and

(B) that student is devoting at least half-time to that course of study, during the academic year, in attendance at that institution.

Failure to be in attendance at the institution during vacation periods or periods of military service, or during other periods during which the Commissioner determines, in accordance with regulations, that there is good cause for his nonattendance, shall not render a student ineligible for a supplemental grant; but no payments may be made to a student during any such period of failure to be in attendance or period of nonattendance.

(20 U.S.C. 1070b–1) Enacted June 23, 1972, P.L. 92–318, sec. 131(b)(1), 86 Stat. 252, 253.

SELECTION OF RECIPIENTS; AGREEMENTS WITH INSTITUTIONS

SEC. 413C. (a)(1) An individual shall be eligible for the award of a supplemental grant under this subpart by an institution of higher education which has made an agreement with the Commissioner pursuant to subsection (b), if the individual makes application at the time and in the manner prescribed by that institution, in accordance with regulations of the Commissioner.

(2) From among those who are eligible for supplemental grants through an institution which has an agreement with the Commissioner under subsection (b) for each fiscal year, the institution shall, in accordance with such agreement under subsection (b), and within the amount allocated to the institution for that purpose for that year under section 413D(b) select individuals who are to be awarded such grants and determine, in accordance with section 413B, the amounts to be paid to them. An institution shall not award a supplemental grant to an individual unless it determines that—

(A) he has been accepted for enrollment as an undergraduate student at such institution or, in the case of a student already attending such institution, is in good standing there as an undergraduate;

(B) he shows evidence of academic or creative promise and capability of maintaining good standing in this course of study;

(C) he is of exceptional financial need; and

(D) he would not, but for a supplemental grant, be financially able to pursue a course of study at such institution.

For the purposes of clause (C) of this paragraph, in determining financial need, the expected family contribution shall be considered to be the contribution expected in the specific circumstances of the student as determined by the student financial aid officer at the institution in accordance with criteria promulgated by the Commissioner. Any calculation of the ability of a family to contribute shall include consideration of (i) family assets which should reasonably be available for such purpose, (ii) the number of children in the family, (iii) the number of children attending institutions of higher education, (iv) any catastrophic illness in the family, (v) any educational expenses of other dependent children in the family, and (vi) other circumstances affecting the student's financial need.

(b) An institution of higher education which desires to obtain funds for supplemental grants under this subpart shall enter into an agreement with the Commissioner. Such agreement shall—

(1) provide that funds received by the institution under this subpart will be used by it solely for the purposes specified in, and in accordance with, the provisions of this subpart and of section 463;

(2) provide that, in determining whether an individual meets the requirements of clause (C) of paragraph (2) of subsection (a), the institution will—

(A) consider the source of such individual's income and that of any individual or individuals upon whom he relies primarily for support, and

(B) make appropriate review of the assets of the student and of such individuals;

(3) provide that the institution, in cooperation with other eligible institutions where appropriate, will make vigorous efforts to identify qualified youths of exceptional financial need, and to encourage them to continue their education beyond secondary school through such programs and activities as—

(A) establishing or strengthening close working relationships with secondary school principals and guidance and counseling personnel, with a view toward motivating students to complete secondary school and to pursue postsecondary school educational opportunities, and

(B) making, to the extent feasible, conditional commitments for student financial aid by such institution to qualified secondary school students, who but for such grants would be unable to obtain the benefits of higher education, with special emphasis on students enrolled in grade 11 or lower grades who show evidences of academic or creative promise;

(4) provide that the institution will meet the requirements of section 464;

(5) include provisions designed to make grants under this subpart reasonably available, to the extent of available funds, to all eligible students in attendance at the institution;

(6) include such other provisions as may be necessary to protect the financial interest of the United States and promote the purposes of this subpart.

(20 U.S.C. 1070b–2) Enacted June 23, 1972, P.L. 92–318, sec. 131(b)(1), 86 Stat. 253, 254.

APPORTIONMENT AND ALLOCATION OF FUNDS

SEC. 413D. (a)(1)(A) From 90 per centum of the sums appropriated pursuant to section 413A(b)(1) for any fiscal year, the Commissioner shall apportion to each State an amount which bears the same ratio to such sums as the number of persons enrolled full-time and the full-time equivalent of the number of persons enrolled part time in institutions of higher education in such State bears to the total number of such persons in all the States. The remainder of the sums so appropriated shall be apportioned among the States by the Commissioner in accordance with equitable criteria which he shall establish and which shall be designed to achieve a distribution of the sums so appropriated among the States which will most effectively carry out the purpose of this subpart, except that where any State's apportionment under the first sentence for a fiscal year is less than its allotment under the first sentence of section 401(b) of this Act for the fiscal year ending June 30, 1972, before he makes any other apportionments under this sentence, the Commissioner shall apportion sufficient additional sums to such State under this sentence to make the State's apportionment for that year under this paragraph equal to its allotment for the fiscal year ending June 30, 1972, under such first sentence. Sums apportioned to a State under the preceding sentence shall be consolidated with, and become a part of, its apportionment from the same appropriation under the first sentence of this paragraph.

(B) If the Commissioner determines that the sums apportioned to any State under subparagraph (A) for any fiscal year exceed the aggregate of the amounts that he determines to be required under subsection (b) for that fiscal year for institutions of higher education in that State, the Commissioner shall reapportion such excess, from time to time, on such date or dates as he shall fix, to other States in such manner as the Commissioner determines will best assist in achieving the purposes of this subpart.

(2) Sums appropriated pursuant to section 431A(b)(2) for any fiscal year shall be apportioned among the States in such manner as the Commissioner determines will best achieve the purposes for which such sums were appropriated.

(b)(1)(A) The Commissioner shall, from time to time, set dates before which institutions in any State must file applications for allocation, to such institutions, of supplemental grant funds from the apportionment to that State (including any reapportionment thereto) for any fiscal year pursuant to subsection (a)(1).

(B)(i) From the sums apportioned (or reapportioned) to any State, the Commissioner shall allocate amounts to institutions which have submitted applications pursuant to subparagraph (A).

(ii) Allocations under division (i) by the Commissioner to such institutions shall be made in accordance with equitable criteria established by the Commissioner by regulation. Such criteria shall be designed to achieve such distribution of supplemental grant funds among such institutions within a State as will most effectively carry out the purposes of this subpart.

(2) The Commissioner shall, in accordance with regulations, allocate to such institutions in any State, from funds apportioned or reapportioned pursuant to subsection (a)(2), funds to be used as the supplemental grants specified in section 413A(b)(2).

(3) Payments shall be made from allocations under this subsection as needed.

(20 U.S.C. 1070b–3) Enacted June 23, 1972, P.L. 92–318, sec. 131(b)(1), 86 Stat. 254, 255.

SUBPART 3—GRANTS TO STATES FOR STATE STUDENT INCENTIVES

PURPOSE; APPROPRIATIONS AUTHORIZED

SEC. 415A. (a) It is the purpose of this subpart to make incentive grants available to the States to assist them in providing grants to eligible students in attendance at institutions of higher education.

(b)(1) There are hereby authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1973, and for each of the succeeding fiscal years ending prior to July 1, 1975, for payments to the States for grants to students who have not previously been awarded such grants.

(2) In addition to the sums authorized to be appropriated pursuant to paragraph (1), there is authorized to be appropriated such sums as may be necessary for making payments to States to continue their grants to students made with incentive grants received by such States for previous years pursuant to paragraph (1).

(3) Sums appropriated pursuant to paragraph (1) for any fiscal year shall remain available for payments to States for the award of

student grants under this subpart until the end of the fiscal year succeeding the fiscal year for which such sums were appropriated.

(4) For the purposes of this subsection, a payment on the first year of a student grant with respect to any student who has not been awarded a grant from appropriations pursuant to paragraph (1) during any previous year shall be considered, subject to regulations of the Commissioner, an initial award to be paid from appropriations pursuant to paragraph (1).

(20 U.S.C. 1070c) Enacted June 23, 1972, P.L. 92-318, sec. 131(b)(1), 86 Stat. 255, 256.

ALLOTMENT AMONG STATES

SEC. 415B. (a)(1)(A) From the sums appropriated pursuant to section 415A(b)(1) for any fiscal year, the Commissioner shall allot to each State an amount which bears the same ratio to such sums as the number of students in attendance at institutions of higher education in such State bears to the total number of such students in such attendance in all the States.

(B) For the purposes of this paragraph, the number of students in attendance at institutions of higher education in a State and in all the States shall be determined by the Commissioner for the most recent year for which satisfactory data are available to him.

(2) The amount of any State's allotment under paragraph (1) for any fiscal year which the Commissioner determines will not be required for such fiscal year for the State student grant incentive program of that State shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under such part for such year, but with such proportionate amount for any of such States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year for carrying out the State plan; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this part during a year from funds appropriated pursuant to section 415A(b)(1) shall be deemed part of its allotment under paragraph (1) for such year.

(b) Sums appropriated pursuant to section 415(A)(b)(2) for any fiscal year shall be allotted among the States in such manner as the Commissioner determines will best achieve the purposes for which such sums were appropriated.

(c) The Commissioner shall make payments for continuing incentive grants only to those States which continue to meet the requirements of section 415C(b) (1), (2), (3), and (5).

(20 U.S.C. 1070c-1) Enacted June 23, 1972, P.L. 92-318, sec. 131(b)(1), 86 Stat. 256.

APPLICATIONS FOR STATE STUDENT INCENTIVE GRANT PROGRAMS

SEC. 415C. (a) A State which desires to obtain a payment under this subpart for any fiscal year shall submit an application therefor through the State agency administering its program of student grants, at such time or times, and containing such information as may be required by, or pursuant to, regulation for the purpose of enabling the Commissioner to make the determinations required under this subpart.

(b) From a State's allotment under this subpart for any fiscal year the Commissioner is authorized to make payments to such State for paying 50 per centum of the amount of student grants pursuant to a State program which—

(1) is administered by a single State agency;

(2) provides that such grants will be in amounts not in excess of $1,500 per academic year for attendance on a full-time basis as an undergraduate at an institution of higher education;

(3) provides for the selection of recipients of such grants on the basis of substantial financial need determined annually on the basis of criteria established by the State and approved by the Commissioner;

(4) provides for the payment of the non-Federal portion of such grants from funds supplied by such State which represent an additional expenditure for such year by such State for grants for students attending institutions of higher education over the amount expended by such State for such grants, if any, during the second fiscal year preceding the fiscal year in which such State initially received funds under this subpart; and

(5) provides (A) for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State agency under this subpart, and (B) for the making of such reports, in such form and containing such information, as may be reasonably necessary to enable the Commissioner to perform his functions under this subpart.

(c) Upon his approval of any application for a payment under this subpart, the Commissioner shall reserve from the applicable allotment (including any applicable reallotment) available therefor, the amount of such payment, which (subject to the limits of such allotment or reallotment) shall be equal to the Federal share of the cost of the student incentive grants covered by such application. The Commissioner shall pay such reserved amount, in advance or by way of reimbursement, and in such installments as he may determine. The Commissioner's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application or upon revision of the estimated cost of the student grants with respect to which such reservation was made, and in the event of an upward revision of such estimated cost approved by him he may reserve the Federal share of the added cost only from the applicable allotment (or reallotment) available at the time of such approval.

(20 U.S.C. 1070c–2) Enacted June 23, 1972, P.L. 92–318, sec. 131(b)(1), 86 Stat. 256, 257.

ADMINISTRATION OF STATE PROGRAMS; JUDICIAL REVIEW

SEC. 415D. (a)(1) The Commissioner shall not finally disapprove any application for a State program submitted under section 415C, or any modification thereof, without first affording the State agency submitting the program reasonable notice and opportunity for a hearing.

(2) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency administering a State program approved under this subpart, finds—

(A) that the State program has been so changed that it no longer complies with the provisions of this subpart, or

(B) that in the administration of the program there is a failure to comply substantially with any such provisions,

the Commissioner shall notify such State agency that the State will not be regarded as eligible to participate in the program under this subpart until he is satisfied that there is no longer any such failure to comply.

(b)(1) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State program submitted under this subpart or with his final action under subsection (a), such State may appeal to the United States court of appeals for the circuit in which such State is located. The summons and notice of appeal may be served at any place in the United States. The Commissioner shall forthwith certify and file in the court the transcript of the proceedings and the record on which he based his action.

(2) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the transcript and record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(3) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

(20 U.S.C. 1070c-3) Enacted June 23, 1972, P.L. 92-318, sec. 131(b)(1), 86 Stat. 257, 258.

SUBPART 4—SPECIAL PROGRAMS FOR STUDENTS FROM DISADVANTAGED BACKGROUNDS

PROGRAM AUTHORIZATION

SEC. 417A. (a) The Commissioner shall, in accordance with the provisions of this subpart, carry out a program designed to identify qualified students from low-income families, to prepare them for a program of postsecondary education, and to provide special services for such students who are pursuing programs of postsecondary education.

(b) For the purpose of enabling the Commissioner to carry out this subpart, there are authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1973, and for each of the succeeding fiscal years ending prior to July 1, 1975.

(20 U.S.C. 1070d) Enacted June 23, 1972, P.L. 92-318, sec. 131(b)(1), 86 Stat. 258.

AUTHORIZED ACTIVITIES

SEC. 417B. (a) The Commissioner is authorized (without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)) to make grants to, and contracts with, institutions of higher education, including institutions with vocational and career education programs, combinations of such institutions, public and private agencies and organizations (including professional and scholarly associations), and, in exceptional cases, secondary schools and secondary vocational schools, for planning, developing, or carrying out within the States one or more of the services described in section 417(a).

(b) Services provided through grants and contracts under this subpart shall be specifically designed to assist in enabling youths from low-income families who have academic potential, but who may lack adequate secondary school preparation or who may be physically handicapped, to enter, continue, or resume a program of postsecondary education, including—

(1) programs, to be known as "Talent Search" designed to—

(A) identify qualified youths of financial or cultural need with an exceptional potential for postsecondary educational training and encourage them to complete secondary school and undertake postsecondary educational training,

(B) publicize existing forms of student financial aid, including aid furnished under this title, and

(C) encourage secondary-school or college dropouts of demonstrated aptitude to reenter educational programs, including postsecondary-school programs;

(2) programs, to be known as "Upward Bound", (A) which are designed to generate skills and motivation necessary for success in education beyond high school and (B) in which enrollees from low-income backgrounds and with inadequate secondary-school preparation participate on a substantially full-time basis during all or part of the program;

(3) programs, to be known as "Special Services for Disadvantaged Students", of remedial and other special services for students with academic potential (A) who are enrolled or accepted for enrollment at the institution which is the beneficiary of the grant or contract, and (B) who, (i) by reason of deprived educational, cultural, or economic background, or physical handicap, are in need of such services to assist them to initiate, continue, or resume their postsecondary education or (ii) by reason of limited English-speaking ability, are in need of bilingual educational teaching, guidance, and counseling in order to enable them to pursue a postsecondary education; and

(4) a program of paying up to 75 per centum of the cost of establishing and operating Educational Opportunity Centers which—

(A) serve areas with major concentrations of low-income populations by providing, in coordination with other applicable programs and services—

(i) information with respect to financial and academic assistance available for persons in such areas desiring to pursue a program of postsecondary education;

(ii) assistance to such persons in applying for admission to institutions, at which a program of postsecondary education is offered, including preparing necessary appplications for use by admission and financial aid officer; and

(iii) counseling services and tutorial and other necessary assistance to such persons while attending such institutions; and

(B) serve as recruiting and counseling pools to coordinate resources and staff efforts of institutions of higher education and of other institutions offering programs of postsecondary education, in admitting educationally disadvantaged persons.

The portion of the cost of any project assisted under clause (4) in the preceding sentence which is borne by the applicant shall represent an increase in expenditure by such applicant for the purposes of such project.

(c) Enrollees who are participating on an essentially full-time basis in one or more services being provided under this section may be paid stipends, but not in excess of $30 per month except in exceptional cases as determined by the Commissioner.

(d) Recipients of grants or contracts for the purposes of clause (3)(ii) of subsection (b) shall include in their curriculum a program of English language instruction for students of limited English-speaking ability.

(20 U.S.C. 1070d-1) Enacted June 23, 1972, P.L. 92-318, sec. 131(b)(1), 86 Stat. 258, 259, amended August 21, 1974, P.L. 93-380, sec. 833, 88 Stat. 603, 604.

SUBPART 5—ASSISTANCE TO INSTITUTIONS OF HIGHER EDUCATION [1]

PAYMENTS TO INSTITUTIONS OF HIGHER EDUCATION

SEC. 419. (a) Each institution of higher education shall be entitled for each fiscal year to a cost-of-education payment in accordance with the provisions of this section.

(b)(1) The amount of the cost-of-education payment to which an institution shall be entitled under this section for a fiscal year shall be, subject to subsection (d), the amount determined under paragraph (2)(A) plus the amount determined under paragraph (2)(B).

(2)(A)(i) The Commissioner shall determine the amount to which an institution is entitled under this subparagraph on the basis of the total number of undergraduate students who are in attendance at the institution and the number of students who are also recipients of basic grants under subpart 1, in accordance with the following table:

---

[1] Sec. 1001(d) of P.L. 92-318 provides as follows:

"(d) The total of the payments made under subpart 5 of part A of title IV, of the Higher Education Act of 1965 (except section 420) and under part F of title IX of such Act may not exceed $1,000,000,000 during any fiscal year."

If the total number of students in attendance is—	The amount of the grant is—
Not over 1,000	$500 for each recipient.
Over 1,000 but not over 2,500	$500 for each of 100 recipients; plus $400 for each recipient in excess of 100.
Over 2,500 but not over 5,000	$500 for each of 100 recipients; plus $400 for each of 150 recipients in excess of 100; plus $300 for each recipient in excess of 250.
Over 5,000 but not over 10,000	$500 for each 100 recipients; plus $400 for each of 150 recipients in excess of 100; plus $300 for each of 250 recipients in excess of 250; plus $200 for each recipient in excess of 500.
Over 10,000	$500 for each of the 100 recipients; plus $400 for each of 150 recipients in excess of 100; plus $300 for each of 250 recipients in excess of 250; plus $200 for each of 500 recipients in excess of 500; plus $100 for each recipient in excess of 1,000.

(ii) In any case where a recipient of a basic grant under subpart 1 attends an institution receiving a cost-of-education payment under this subpart on less than a full-time basis, the amount determined under this subparagraph with respect to that student shall be reduced in proportion to the degree to which that student is not attending on a full-time basis.

(iii) If during any period of any fiscal year the funds available for making payments on the basis of entitlements established under this subparagraph are insufficient to satisfy fully all such entitlements, the amount paid with respect to each such entitlement shall be ratably reduced. When additional funds become available for such purpose, the amount of payment from such additional funds shall be in proportion to the degree to which each such entitlement is unsatisfied by the payments made under the first sentence of this division.

(B)(i) The Commissioner shall determine with respect to each institution an amount equal to the appropriate per centum (specified on the table below) of the aggregate of—

(I) supplemental educational opportunity grants under subpart 2;

(II) work-study payments under part C; and

(III) loans to students under part E;

made for such year to students who are in attendance at such institution. The Commissioner shall determine such amounts on the basis of percentages of such aggregate, and the number of students in attendance at institutions during the most recent academic year ending prior to such fiscal year, in accordance with the following table:

If the number of students in attendance at the institution is—	The percentage of such aggregate shall be—
Not over 1,000	50 per centum.
Over 1,000 but not over 3,000	46 per centum.
Over 3,000 but not over 10,000	42 per centum.
Over 10,000	38 per centum.

(ii) If during any period of any fiscal year the funds available for making payments on the basis of entitlements established under this subparagraph are insufficient to satisfy fully all such entitlements, the amount paid with respect to each such entitlement shall be ratably reduced. When additional funds become available for such purpose, the amount of payment from such additional funds shall be in proportion to the degree to which each such entitlement is unsatisfied by the payments made under the first sentence of this division.

(3) (A) In determining the number of students in attendance at institutions of higher education under this subsection, the Commissioner shall compute the full-time equivalent of part-time students.

(B) The Commissioner shall make a separate determination of the number of students in attendance at an institution of higher education and the number of recipients of basic grants at any such institution at each branch or separate campus of that institution located in a different community from the principal campus of that institution pursuant to criteria established by him.

(c) (1) An institution of higher education may receive a cost-of-education payment in accordance with this section only upon application therefor. An application under this section shall be submitted at such time or times, in such manner, and containing such information as the Commissioner determines necessary to carry out his functions under this title, and shall—

(A) set forth such policies, assurances, and procedures as will insure that—

(i) the funds received by the institution under this section will be used solely to defray instructional expenses in academically related programs of the applicant;

(ii) the funds received by the institution under this section will not be used for a school or department of divinity or for any religious worship or sectarian activity;

(iii) the applicant will expend, during the academic year for which a payment is sought, for all academically related programs of the institution, an amount equal to at least the average amount so expended during the three years preceding the year for which the grant is sought; and

(iv) the applicant will submit to the Commissioner such reports as the Commissioner may require by regulation; and

(B) Contain such other statement of policies, assurances, and procedures as the Commissioner may require by regulation in order to protect the financial interests of the United States.

(d) (1) The Commissioner shall pay to each institution of higher education for each fiscal year the amount to which it is entitled under this section.

(2) Of the total sums appropriated to make payments on the basis of entitlements established under this section and on the basis of entitlements of established part F of title IX—

(A) 45 per centum shall be available for making payments on the basis of entitlements established under paragraph (2) (A) of subsection (a);

(B) 45 per centum shall be available for making payments on the basis of entitlements established under paragraph (2)(B) of subsection (a); and

(C) 10 per centum shall be available for making payments on the basis of entitlement established under part F of title IX.

(3) No payments on the basis of entitlements established under paragraph (2)(A) of subsection (a) may be made during any fiscal year for which the appropriations for making grants under subpart 1 does not equal at least 50 per centum of the appropriation necessary for satisfying the total of all entitlements established under such subpart. In no event shall, during any fiscal year, the aggregate of the payments to which this paragraph applies exceed that percentage of the total entitlements established under such paragraph (2)(A) which equals the percentage of the total entitlements established under subpart 1 which are satisfied by appropriations for such purpose for that fiscal year.

(20 U.S.C. 1070e) Enacted June 23, 1972, P.L. 92-318, sec. 1001(a), 86 Stat. 375, 378.

VETERANS' COST-OF-INSTRUCTION PAYMENTS TO INSTITUTIONS OF HIGHER EDUCATION

SEC. 420. (a)(1) During the period beginning July 1, 1972, and ending June 30, 1975, each institution of higher education shall be entitled to a payment under, and in accordance with, this section during any fiscal year if—

(A) the number of persons who are veterans receiving vocational rehabilitation under chapter 31 of title 38, United States Code, or veterans receiving educational assistance under chapter 34 of such title, and who are in attendance as undergraduate students at such institution during any academic year, equals at least—

(i) 110 per centum of the number of such recipients who were in attendance at such institution during the preceding academic year, or

(ii) 10 per centum of the total number of undergraduate students in attendance at such institution during such academic year and if such number does not constitute a per centum of such undergraduate students which is less than such per centum for the preceding academic year; and

(B) the number of such persons is at least 25.

(2) During the period specified in paragraph (1), each institution which has qualified for a payment under this section for any year shall be entitled during the succeeding year, notwithstanding paragraph (1), to a payment under and in accordance with this section, if the number of persons referred to in such paragraph (1) equals at least the number of such persons who were in attendance at such institution during the preceding academic year or equals at least the minimum number of such persons necessary to establish eligibility to entitlement under paragraph (1) during the preceding academic year, whichever is less. Each institution which is entitled to a payment for any fiscal year by reason of the preceding sentence shall be deemed, for the

purposes of any such year succeeding the year for which it is so entitled, to have been entitled to a payment under paragraph (1) during the preceding fiscal year.

(b)(1) The amount of the payment to which any institution shall be entitled under this section for any fiscal year shall be—

(A) $300 for each person who is a veteran receiving vocational rehabilitation under chapter 31 of title 38, United States Code, or a veteran receiving educational assistance under chapter 34 of such title 38, and who is in attendance at such institution as an undergraduate student during such year; and

(B) in addition, $150, except in the case of persons on behalf of whom the institution has received a payment in excess of $150 under section 419, for each person who has been the recipient of educational assistance under subchapter V or subchapter VI of chapter 34 of such title 38, and who is in attendance at such institution as an undergraduate student during such year.

(2) In any case where a person on behalf of whom a payment is made under this section attends an institution on less than a full-time basis, the amount of the payment on behalf of that person shall be reduced in proportion to the degree to which that person is not attending on a full-time basis.

(c)(1) An institution of higher education shall be eligible to receive the payment to which it is entitled under this section only if it makes application therefor to the Commissioner. An application under this section shall be submitted at such time or times, in such manner, in such form and containing such information as the Commissioner determines necessary to carry out his functions under this title, and shall—

(A) meet the requirements set forth in clauses (A) and (B) of section 419(c)(1);

(B) set forth such plans, policies, assurances, and procedures as will insure that the applicant will make an adequate effort—

(i) to maintain a full-time office of veterans' affairs which has responsibility for veterans' outreach, recruitment, and special education programs, including the provision of educational, vocational, and personal counseling for veterans,

(ii) to carry out programs designed to prepare educationally disadvantaged veterans for postsecondary education (I) under subchapter V of chapter 34 of title 38, United States Code, and (ii) in the case of any institution located near a military installation, under subchapter VI of such chapter 34,

(iii) to carry out active outreach, recruiting, and counseling activities through the use of funds available under federally assisted work-study programs, and

(iv) to carry out an active tutorial assistance program (including dissemination of information regarding such program) in order to make maximum use of the benefits available under section 1692 of such title 38,

except that an institution with less than 2,500 students in attendance (I) which the Commissioner determines, in accordance with regulations jointly prescribed by the Commissioner and the Administrator of Veterans' Affairs (hereinafter referred to as to the "Administrator"), cannot feasibly itself carry out any or all of the programs set forth in subclauses (i) though (iv) of this clause, may carry out such program or programs through a consortium agreement with one or more other institutions of higher education, and (II) shall be required to carry out such programs only to the extent that the Commissioner determines, in accordance with regulations jointly prescribed by the Commissioner and the Administrator, is appropriate in terms of the number of veterans in attendance at such institution. The adequacy of efforts to meet the requirements of clause (B) in the preceding sentence shall be determined by the Commissioner, based upon the recommendation of the Administrator, in accordance with criteria established in regulations jointly prescribed by the Commissioner and the Administrator.

(2) The Commissioner shall not approve an application under this subsection unless he determines that the applicant will implement the requirements of clause (B) of paragraph (1) within the first academic year during which it receives a payment under this section.

(d)(1) The Commissioner shall pay to each institution of higher education which has had an application approved under subsection (c) the amount to which it is entitled under this section. Payments under this subsection shall be made in not less than three installments during each academic year and shall be based on the actual number of persons on behalf of whom such payments are made in attendance at the institution at the time of the payment.

(2) The maximum amount of payments to any institution of higher educuation, or any branch thereof which is located in a community which is different from that in which the parent institution thereof is located, in any fiscal year, shall be $135,000. In making payments under this section for any fiscal year, the Commissioner shall apportion the appropriation for making such payments, from funds which become available as a result of the limitation on payments set forth in the preceding sentence, in such a manner as will result in the receipt by each institution which is eligible for a payment under this section of first $9,000 (or the amount of its entitlement for that fiscal year, whichever is less) and then additional amounts up to the limitation set forth in the preceding sentence.

(e) Not less than 75 per centum of the amounts paid to any institution under subsection (d) in any fiscal year shall be used to implement the requirement of clause (B)(i) of paragraph (1) of subsection (c), and, to the extent that such funds remain after implementing such requirements, funds limited by such 75 per centum requirement shall be used for implementing the requirements of clauses (B) (ii), (iii), and (iv) of such paragraph (1), except that the Commissioner may, in accordance with criteria established in regulations jointly prescribed by the Commissioner with the Administrator, waive the requirement of this subsection to the extent that he finds that such institution is adequately carrying out all such requirements without the necessity for such application of such amount of the payments received under this subsection.

(20 U.S.C. 1070e–1) Enacted June 23, 1972, P.L. 92–318, sec. 1001(a), 86 Stat. 378, 379; amended August 21, 1974, P.L. 93–380, sec. 835, 88 Stat. 604, 605.

(NOTE.—The following provisions govern all loans made between August 19, 1972 and March 1, 1973.)

PART B—FEDERAL, STATE, AND PRIVATE PROGRAMS OF LOW-INTEREST INSURED LOANS TO STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION[1]

STATEMENT OF PURPOSE AND APPROPRIATIONS AUTHORIZED

SEC. 421. (a) The purpose of this part is to enable the Commissioner (1) to encourage States and nonprofit private institutions and organizations to establish adequate loan insurance programs for students in eligible institutions (as defined in section 435), (2) to provide a Federal program of student loan insurance for students or lenders who do not have reasonable access to a State or private nonprofit program of student loan insurance covered by an agreement under section 428(b), (3) to pay a portion of the interest on loans to qualified students which are made by a State under a direct loan program meeting the requirements of section 428(a)(1)(B), or which are insured under this part or under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1)(C), and (4) to guarantee a portion of each loan insured under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1(C).

(b) For the purpose of carrying out this part—

(1) there are authorized to be appropriated to the student loan insurance fund (established by section 431) (A) the sum of $1,000,000, and (B) such further sums, if any, as may become necessary for the adequacy of the student loan insurance fund,

(2) there are authorized to be appropriated, for payments under section 428 with respect to interest and administrative cost allowances on student loans and for payments under section 437, such sums for the fiscal year ending June 30, 1966, and succeeding years, as may be required therefor,

(3) there is authorized to be appropriated the sum of $17,500,000 for making advances pursuant to section 422 for the reserve funds of State and nonprofit private student loan insurance programs, and

(4) there is authorized to be appropriated the sum of $12,500,000 for making advances after June 30, 1968, pursuant to section 422 for the reserve funds of State and nonprofit private student loan insurance programs.

Sums appropriated under clauses (1), (2) and (4) of this subsection shall remain available until expended, and sums appropriated under clause (3) of this subsection shall remain available for advances under section 422 until the close of the fiscal year ending June 30, 1968.

(20 U.S.C. 1071) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 421, 79 Stat. 1236; amended Aug. 3, 1968, P.L. 90–460, secs. 2, 3, 82 Stat. 635–6; amended Oct. 16, 1968, P.L. 90–575, Title I, secs. 113, 114, 119, 82 Stat. 1020, 1021, 1027.

ADVANCES FOR RESERVE FUNDS OF STATE AND NONPROFIT PRIVATE LOAN INSURANCE PROGRAMS

SEC. 422. (a)(1) From the sums appropriated pursuant to clauses (3) and (4) of section 421(b), the Commissioner is authorized to make advances to any State with which he has made an agreement pursuant to section 428(b) for the purpose of helping to establish or strengthen the reserve fund of the student loan insurance program covered by that agreement. If for any fiscal year a State does not have a student loan insurance program covered by an agreement made pursuant to section 428(b), and the Commissioner determines after consultation with the chief executive officer of that State that there is no reasonable likelihood that the State will have such a student loan insurance program for such year, the Commissioner may make advances for such year for the same purpose to one or more nonprofit private institutions or organizations with which he has made an agreement pursuant to section 428(b) in order to enable students in that State to participate in a program of student loan insurance covered by such an agreement. The Commissioner may make advances under this subsection both to a State program (with which he has such an agreement) and to one or more nonprofit private institutions or organizations (with which he has such an agreement) in that State if he determines that such advances are necessary in order that students in each eligible institution have access through such institution to a student loan insurance program which meets the requirements of section 428(b)(1).

---

[1] "The Emergency Insured Student Loan Act of 1969" modifies title IV–B with respect to special allowances for lenders of insured student loans. Text appears on page 434.

(2) No advance shall be made after June 30, 1968, unless matched by an equal amount from non-Federal sources. Such equal amount may include the unencumbered non-Federal portion of a reserve fund. As used in the preceding sentence, the term "unencumbered non-Federal portion" means the amount (determined as of the time immediately preceding the making of the advance) of the reserve fund less the greater of (A) the sum of (i) advances made under this section prior to July 1, 1968, (ii) an amount equal to twice the amount of advances made under this section after June 30, 1968, and before the advance for purposes of which the determination is made, and (iii) the proceeds of earnings on advances made under this section, or (B) any amount which is required to be maintained in such fund pursuant to State law or regulation, or by agreement with lenders, as a reserve against the insurance of outstanding loans.

(3) Advances pursuant to this subsection shall be upon such terms and conditions (including conditions relating to the time or times of payment) consistent with the requirements of section 428(b) as the Commissioner determines will best carry out the purposes of this section. Advances made by the Commissioner under this subsection shall be repaid within such period as the Commissioner may deem to be appropriate in each case in the light of the maturity and solvency of the reserve fund for which the advance was made.

(b)(1) The total of the advances to any State prior to July 1, 1968, pursuant to subsection (a) may not exceed an amount which bears the same ratio to 2½ per centum of $700,000,000 as the population of that State and aged eighteen to twenty-two, inclusive, bears to the total population of all the States aged eighteen to twenty-two, inclusive. The amount available, however, for advances to any State for each fiscal year ending prior to July 1, 1968, shall not be less than $25,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $25,000 per year) the amount available for advances to each of the remaining States. Advances to nonprofit private institutions and organizations prior to July 1, 1968, pursuant to subsection (a) may be in such amounts as the Commissioner determines will best achieve the purposes for which they are made, except that the sum of (1) advances to such institutions and organizations for the benefit of students in any State plus (2) the amounts advanced to such State, may not exceed the maximum amount which may be advanced to that State pursuant to the first two sentences of this subsection.

(2) The total of the advances from the sums appropriated pursuant to clause (4) of section 421(b)(A) to nonprofit private institutions and organizations for the benefit of students in any State and (B) to such State may not exceed an amount which bears the same ratio to such sums as the population of such State aged eighteen to twenty-two, inclusive, bears to the population of all the States aged eighteen to twenty-two, inclusive, but such advances may otherwise be in such amounts as the Commissioner determines will best achieve the purposes for which they are made. The amount available, however, for advances to any State shall not be less than $25,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $25,000) the amount available for advances to each of the remaining States.

(3) For the purposes of this subsection, the population aged eighteen to twenty-two, inclusive, of each State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(20 U.S.C. 1072) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 422, 79 Stat. 1236; amended Nov. 3, 1966, P.L. 89–752, sec. 11, 80 Stat. 1243; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 114, 82 Stat. 1021.

EFFECTS OF ADEQUATE NON-FEDERAL PROGRAMS

SEC. 423. (a) Except as provided in subsection (b), the Commissioner shall not issue certificates of insurance under section 429 to lenders in a State if he determines that every eligible institution has reasonable access in that State to a State or private nonprofit student loan insurance program which is covered by an agreement under section 428(b).

(b) The Commissioner may issue certificates of insurance under section 429 to a lender in a State—

(1) for insurance of a loan made to a student borrower who does not, by reason of his residence, have access to loan insurance under the loan insurance program of such State (or under any private nonprofit loan insurance program which has received an advance under section 422 for the benefit of students in such State), or

(2) for insurance of all of the loans made to student borrowers by a lender who satisfies the Commissioner that, by reason of the residence of such borrowers, he will not have access to any single State or nonprofit private loan insurance program which will insure substantially all of the loans he intends to make to such student borrowers.

(20 U.S.C. 1073) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 423, 79 Stat.. 1237; amended Oct. 16, 1968, P.L. 90–575, sec. 119, 82 Stat. 1026.

SCOPE AND DURATION OF FEDERAL LOAN INSURANCE PROGRAM

Sec. 424. (a) The total principal amount of new loans made and installments paid pursuant to lines of credit (as defined in section 435) to students covered by Federal loan insurance under this part shall not exceed $1,400,000,000 for the fiscal year ending June 30, 1972, $1,600,000,000 for the fiscal year ending June 30, 1973, $1,800,000,000 for the fiscal year ending June 30, 1974, and $2,000,000,000 for the fiscal year ending June 30, 1975. Thereafter, Federal loan insurance pursuant to this part may be granted only for loans made (or for loan installments paid pursuant to lines of credit) to enable students, who have obtained prior loans insured under this part, to continue or complete their educational programs; but no insurance may be granted for any loan made or installment paid after June 30, 1979.

(b) The Commissioner may, if he finds it necessary to do so in order to assure an equitable distribution of the benefits of this part, assign, within the maximum amounts specified in subsection (a), Federal loan insurance quotas applicable to eligible lenders, or to States or areas, and may from time to time reassign unused portions of these quotas.

(20 U.S.C. 1074) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 424, 79 Stat. 1237; amended Aug. 3, 1968, P.L. 90–460, sec. 1, 82 Stat. 634; amended Oct. 16, 1968; P.L. 90–575, Title I, sec. 112, 82 Stat. 1020; amended June 23, 1972, P.L. 92–318, sec. 132(a)(1), 86 Stat. 261.

LIMITATIONS ON INDIVIDUAL FEDERALLY INSURED LOANS AND ON FEDERAL LOAN INSURANCE

Sec. 425. (a) The total of the loans made to a student in any academic year or its equivalent (as determined under regulations of the Commissioner) which may be covered by Federal loan insurance under this part may not exceed $1,500. The aggregate insured unpaid principal amount of all such insured loans made to any student shall not at any time exceed $7,500. The annual insurable limit per student shall not be deemed to be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any year in excess of the annual limit.

(b) The insurance liability on any loan insured by the Commissioner under this part shall be 100 per centum of the unpaid balance of the principal amount of the loan. Such insurance liability shall not include liability for interest whether or not that interest has been added to the principal amount of the loan.

(20 U.S.C. 1075) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 425, 79 Stat. 1238; amended Oct. 16, 1968, P.L. 90–575, Title I, secs. 116, 120, 82 Stat. 1023 and 1027.

SOURCES OF FUNDS

Sec. 426. Loans made by eligible lenders in accordance with this part shall be insurable by the Commissioner whether made from funds fully owned by the lender or from funds held by the lender in a trust or similar capacity and available for such loans.

(20 U.S.C. 1076) Enacted Nov. 8, 1965, P.L. 89–329 title IV sec. 426, 78 Stat. 1238.

ELIGIBILITY OF STUDENT BORROWERS AND TERMS OF FEDERALLY INSURED STUDENT LOANS

SEC. 427. (a) A loan by an eligible lender shall be insurable by the Commissioner under the provisions of this part only if—

(1) made to a student who (A) has been accepted for enrollment at an eligible institution or, in the case of a student already attending such institution, is in good standing there as determined by the institution, and (B) is carrying at least one-half of the normal full-time workload as determined by the institution, and (C) has provided the lender with a statement of the institution which sets forth a schedule of the tuition and fees applicable to that student and its estimate of the cost of board and room for such a student; and

(2) evidenced by a note or other written agreement which—

(A) is made without security and without endorsement, except that if the borrower is a minor and such note or other written agreement executed by him would not, under the applicable law, create a binding obligation, endorsement may be required,

(B) provides for repayment (except as provided in subsection (c)) of the principal amount of the loan in installments over a period of not less than five years (unless sooner repaid) nor more than ten years beginning not earlier than nine months nor later than one year after the date on which the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution, except (i) as provided in clause (C) below (ii) that the period of the loan may not exceed fifteen years from the execution of the note or written agreement evidencing it and (iii) that the note or other written instrument may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the cost of insurance premiums, or other default by the borrower, as may be authorized by regulations of the Commissioner in effect at the time the loan is made,

(C) provides that periodic installments of principal need not be paid but interest shall accrue and be paid, during any period (i) during which the borrower is pursuing a full-time course of study at an "eligible institution," (ii) not in excess of three years, during which the borrower is a member of the Armed Forces of the United States, (iii) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act or (iv) not in excess of three years during which the borrower is in service as a full-time volunteer under title VIII of the Economic Opportunity Act of 1964, and any such period shall not be included in determining the ten-year period or the fifteen year period provided in clause (B) above,

(D) provides for interest on the unpaid principal balance of the loan at a yearly rate, not exceeding the applicable maximum rate prescribed and defined by the Secretary (within the limits set forth in subsection (b)) on a national regional, or other appropriate basis, which interest shall be payable in installments over the period of the loan except that, if provided in the note or other written agreement, any interest payable by the student may be deferred until not later than the date upon which repayment of the first installment of principal falls due, in which case interest that has so accrued during that period may be added on that date to the principal (but without thereby increasing the insurance liability under this part),

(E) provides that the lender will not collect or attempt to collect from the borrower any portion of the interest on the note which is payable by the Commissioner under this part, and that the lender will enter into such agreements with the Commissioner as may be necessary for the purposes of section 437,

(F) entitles the student borrower to accelerate without penalty repayment of the whole or any part of the loan, and

(G) contains such other terms and conditions, consistent with the provision of this part and with the regulations issued by the Commissioner pursuant to this part, as may be agreed upon by the parties to such loan, including, if agreed upon, a provision requiring the borrower to pay to the lender, in addition to principal and interest, amounts equal to the insurance premiums payable by the lender to the Commissioner with respect to such loan.

(b) No maximum rate of interest prescribed and defined by the Secretary for the purpose of clause (2)(D) of subsection (a) may exceed 7 per centum per annum on the unpaid principal balance of the loan.

(c) The total of the payments by a borrower during any year of any repayment period with respect to the aggregate amount of all loans to that borrower which are insured under this part, or which are made by a State or the Commissioner under section 425(a)(1)(B) or 433, respectively, shall not be less than $360 or the balance of all of such loans (together with interest thereon), whichever amount is less.

(20 U.S.C. 1077) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 427, 79 Stat. 1238, amended Nov. 8, 1966, P.L. 89–794, Title XI, sec. 1101(b), 80 Stat. 1476; amended Aug. 3, 1968, P.L. 90–460, sec. 2, 82 Stat. 635; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 113, 116, 120, 82 Stat. 1021, 1023, 1027.

FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS

SEC. 428. (a)(1) Each student who has received a loan for study at an eligible institution—

(A) which is insured by the Commissioner under this part;

(B) which was made under a State student loan program (meeting criteria prescribed by the Commissioner), and which was contracted for, and paid to the student, within the period specified by paragraph (4); or

(C) which is insured under a program of a State or of a nonprofit private institution or organization which was contracted for, and paid to the student, within the period specified in paragraph (4), and which—

(i) in the case of a loan insured prior to July 1, 1967, was made by an eligible lender and is insured under a program which meets the requirements of subparagraph (E) of subsection (b)(1) and provides that repayment of such loan shall be in installments beginning not earlier than sixty days after the student ceases to pursue a course of study (as described in subparagraph (D) of subsection (b)(1)) at an eligible institution, or

(ii) in the case of a loan insured after June 30, 1967, is insured under a program covered by an agreement made pursuant to subsection (b),

and whose adjusted family income is less than $15,000 at the time of execution of the note or written agreement evidencing such loan, shall be entitled to have paid on his behalf and for his account to the holder of the loan, a portion of the interest on the loan. In addition, the Commissioner shall pay an administrative cost allowance in the amount established by paragraph (2)(B) of this subsection with respect to loans to any such student but without regard to the student's adjusted family income. For the purposes of this paragraph, the adjusted family income of a student shall be determined pursuant to regulations of the Commissioner in effect at the time of the execution of the note or written agreement evidencing the loan. Such regulations shall provide for taking into account such factors, including family size, as the Commissioner deems appropriate. In the absence of fraud by the lender, such determination of the adjusted family income of a student shall be final insofar as it concerns the obligation of the Commissioner to pay the holder of a loan a portion of the interest on the loan.

(2)(A) The portion of the interest on a loan which a student is entitled to have paid on his behalf and for his account to the holder of the loan pursuant to paragraph (1) of this subsection shall be equal to the total amount of the interest on the unpaid principal amount of the loan which accrues prior to the beginning of the repayment period of the loan or which accrues during a period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (e) of this section or in section 427(a)(2)(C): but such portion of the interest on a loan shall not exceed, for any period, the amount of the interest on that loan which is payable by the student after taking into consideration the amount of any interest on that loan which the student is entitled to have paid on his behalf for that period under any State or private loan insurance program. The holder of a loan with respect to which payments are required to be made under this section shall be deemed to have a contractual right, as against the United States, to receive from the Commissioner the portion of interest which has been so determined and the administrative cost allowance payable under this subsection. The Commissioner shall pay this portion of the interest and administrative cost allowance to the holder of the loan on behalf of and for the account of the borrower at such times as may be specified in regulations in force when the applicable agreement entered into pursuant to subsection (b) was made, or if the loan was made by a State or is insured under a program which is not covered by such an agreement, at such times as may be specified in regulations in force at the time the loan was paid to the student.

(B) If (i) a State student loan insurance program is covered by an agreement under subsection (b), (ii) a statute of such State limits the interest rate on loans insured by such program to a rate which is less than 7 per centum per annum on the unpaid principal balance, and (iii) the Commissioner determines that section 428(d) does not make such statutory limitation inapplicable and that such statutory limitation threatens to impede the carrying out of the purposes of this part, then he may pay an administrative cost allowance to the holder of each loan which is insured under such program and which is made during the period beginning on the 60th day after the date of enactment of the Higher Education Amendments of 1968 and ending 120 days after the adjournment of such State's first regular legislative session which adjourns after January 1, 1969. Such administrative cost allowance shall be paid over the term of the loan in an amount per annum (determined by the Commissioner) which shall not exceed 1 per centum of the unpaid principal balance of the loan.

(3) Each holder of a loan with respect to which payments of interest or of administrative cost allowances are required to be made by the Commissioner shall submit to the Commissioner, at such time or times and in such manner as he may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to determine the amount of the payment which he must make with respect to that loan.

(4) The period referred to in subparagraphs (B) and (C) of paragraph (1) of this subsection shall begin on the date of enactment of this Act and end at the close of June 30, 1975, except that, in the case of a loan made or insured under a student loan or loan insurance program to enable a student who has obtained a prior loan made or insured under such program to continue his educational program, such period shall end at the close of June 30, 1979.

(5) No payment may be made under this section with respect to the interest on a loan made from a student loan fund established under title II of the National Defense Education Act of 1958.

(b)(1) Any State or any nonprofit private institution or organization may enter into an agreement with the Commissioner for the purpose of entitling students who receive loans which are insured under a student loan insurance program of that State, institution, or organization to have made on their behalf the payments provided for in subsection (a) if the Commissioner determines that the student loan insurance program—

(A) authorizes the insurance of not less than $1,000 nor more than $1,500 in loans to any individual student in any academic year or its equivalent (as determined under regulations of the Commissioner), which limit shall not be deemed exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any such year in excess of such annual limit; and provides that the aggregate insured unpaid principal amount of all such insured loans made to any student shall not at any time exceed $7,500;

(B) authorizes the insurance of loans to any individual student for at least six academic years of study or their equivalent (as determined under regulations of the Commissioner);

(C) provides that (i) the student borrower shall be entitled to accelerate without penalty the whole or any part of an insured loan, (ii) except as provided in subsection (e) of this section, the period of any insured loan may not exceed fifteen years from the date of execution of the note or other written evidence of the loan, and (iii) the note or other written evidence of any loan may contain such provisions relating to repayment in the event of default by the borrower as may be authorized by regulations of the Commissioner in effect at the time such note or written evidence was executed;

(D) subject to paragraphs (C) and (K) of this paragraph and except as provided by subsection (e) of this section, provides that repayment of loans shall be in installments over a period of not less than five years nor more than ten years beginning not earlier than nine months nor later than one year after the student ceases to pursue a full-time course of study at an eligible institution, except that if the program provides for the insurance of loans for part-time study at eligible institutions the program shall provide that such repayment period shall begin not earlier than nine months nor later than one year after the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution;

(E) authorizes interest on the unpaid balance of the loan at a yearly rate not in excess of 7 per centum per annum on the unpaid principal balance of the loan (inclusive of any premium for insurance which may be passed on to the borrower);

(F) insures not less than 80 per centum of the unpaid principal of loans insured under the program;

(G) does not provide for collection of an excessive insurance premium;

(H) provides that the benefits of the loan insurance program will not be denied any student because of his family income or lack of need if his adjusted family income at the time the note or written agreement is executed is less than $15,000 (as determined pursuant to the regulations of the Commissioner prescribed under section 428(a)(1));

(I) provides that a student may obtain insurance under the program for a loan for any year of study at an eligible institution;

(J) in the case of a State program, provides that such State program is administered by a single State agency, or by one or more nonprofit private institutions or organizations under the supervision of a single State agency; and

(K) provides that the total of the payments by a borrower during any year of any repayment period with respect to the aggregate amount of all loans to that borrower which are (i) insured under this part, or (ii) made by a State or the Commissioner under section 428(a)(1)(B) or 433, respectively, shall not be less than $360 or the balance of all such loans (together with interest thereon), whichever amount is less.

(2) Such an agreement shall—

(A) provide that the holder of any such loan will be required to submit to the Commissioner, at such time or times and in such manner as he may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to determine the amount of the payment which he must make with respect to the loan;

(B) include such other provisions as may be necessary to protect the financial interest of the United States and promote the purposes of this part, including such provisions as may be necessary for the purpose of section 437, and as are agreed to by the Commissioner and the State or nonprofit private organization or institution, as the case may be; and

(C) provide for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his function under this part and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(c)(1) The Commissioner may enter into a guaranty agreement with any State or any nonprofit private institution or organization with which he has an agreement pursuant to subsection (b), whereby the Commissioner shall undertake to reimburse it, under such terms and conditions as he may establish, in an amount equal to 80 per centum of the amount expended by it in discharge of its insurance obligation, incurred under its loan insurance program, with respect to losses (resulting from the default of the student borrower) on the unpaid balance of the principal (other than interest added to principal) of any insured loan with respect to which a portion of the interest (A) is payable by the Commissioner under subsection (a), or (B) would be payable under such subsection but for the adjusted family income of the borrower.

(2) The guaranty agreement—

(A) shall set forth such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss thereunder, to insure proper and efficient administration of the loan insurance program, and to assure that due diligence will be exercised in the collection of loans insured under the program;

(B) shall provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his function under this subsection, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

(C) shall set forth adequate assurance that, with respect to so much of any loan insured under the loan insurance program as may be guaranteed by the Commissioner pursuant to this subsection, the undertaking of the Commissioner under the guaranty agreement is acceptable in full satisfaction of State law or regulation requiring the maintenance of a reserve;

(D) shall provide that if, after the Commissioner has made payment under the guaranty agreement pursuant to paragraph (1) of this subsection with respect to any loan, any payments are made in discharge of the obligation incurred by the borrower with respect to such loan (including any payments of interest accruing on such loan after such payment by the Commissioner), there shall be paid over to the Commissioner (for deposit in the fund established by section 431) such proportion of the amounts of such payments as is determined (in accordance with regulations prescribed by the Commissioner) to represent his equitable share thereof, but shall not otherwise provide for subrogation of the United States to the rights of any insurance beneficiary: *Provided*, That, except as the Commissioner may otherwise by or pursuant to regulation provide, amounts so paid by a borrower on such a loan shall be first applied in reduction of principal owing on such loan; and

(E) may include such other provisions as may be necessary to promote the purposes of this part.

(3) To the extent provided in regulations of the Commissioner, a guaranty agreement under this subsection may contain provisions which permit such forbearance for the benefit of the student borrower as may be agreed upon by the parties to an insured loan and approved by the insurer.

(4) For purposes of this subsection, the terms "insurance beneficiary" and "default" shall have the meanings assigned to them by section 430(e).

(5) In the case of any guaranty agreement entered into prior to September 1, 1969, with a State or nonprofit private institution or organization with which the Commissioner has in effect on that date an agreement pursuant to subsection (b) of this section, or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, made prior to the date of enactment of this subsection, the Commissioner may, in accordance with the terms of this subsection, undertake to guarantee loans described in paragraph (1) which are insured by such State, institution, or organization and are outstanding on the date of execution of the guaranty agreement, but only with respect to defaults occurring after the execution of such guaranty agreement or, if later, after its effective date.

(d) No provision of any law of the United States (other than sections 427(a)(2)(D) and 427(b) of this Act) or of any State (other than a statute applicable principally to such State's student loan insurance program) which limits the rate or amount of interest payable on loans shall apply to a loan—

(1) which bears interest (exclusive of any premium for insurance) on the unpaid principal balance at a rate not in excess of 7 per centum per annum, and

(2) which is insured (A) by the United States under this part, or (B) by a State or nonprofit institution or organization under a program covered by an agreement made pursuant to subsection (b) of this section.

(e) The Commissioner shall encourage the inclusion, in any State student loan program or any State or nonprofit private student loan insurance program meeting the requirements of subsection (a)(1)(B) or (a)(1)(C), of provisions authorizing or requiring that in the case of student loans covered by such program periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period (1) during which the borrower is pursuing a full-time course of study at an eligible institution, (2) not in excess of three years during which the borrower is a member of the Armed Forces of the United States, (3) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act, or (4) not in excess of three years during which the borrower is in service as a full-time volunteer under title VIII of the Economic Opportunity Act of 1964. In the case of any such State or nonprofit private program containing such a provision any such period shall be excluded in determining the period specified in subsection (b)(1)(C)(ii), or the maximum period for repayment specified in subsection (b)(1)(D).

(20 U.S.C. 1078) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 428, 79 Stat. 1240; amended Aug. 3, 1968, P.L. 90–460, sec. 1, 2, 3, 82 Stat. 634–638; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 111, 112, 113, 115, 116, 117, 120, 82 Stat. 1020–27; amended June 23, 1972, P.L. 92–318, sec. 132(b), 86 Stat. 261.

CERTIFICATE OF FEDERAL LOAN INSURANCE—EFFECTIVE DATE OF INSURANCE

SEC. 429. (a)(1) If, upon application by an eligible lender, made upon such form, containing such information, and supported by such evidence as the Commissioner may require, and otherwise in conformity with this section, the Commissioner finds that the applicant has made a loan to an eligible student which is insurable under the provisions of this part, he may issue to the applicant a certificate of insurance covering the loan and setting forth the amount and terms of the insurance.

(2) Insurance evidenced by a certificate of insurance pursuant to subsection (a)(1) shall become effective upon the date of issuance of the certificate except *that* the Commissioner is authorized, in accordance with regulations, to issue commitments with respect to proposed loans, or with respect to lines (or proposed lines) of credit, submitted by eligible lenders, and in that event, upon compliance with subsection (a)(1) by the lender, the certificate of insurance may be issued effective as of the date when any loan, or any payment by the lender pursuant to a line of credit, to be covered by such insurance was made. Such insurance shall cease to be effective upon sixty days' default by the lender in the payment of any installment of the premiums payable pursuant to subsection (c).

(3) An application submitted pursuant to subsection (a)(1) shall contain (A) an agreement by the applicant to pay, in accordance with regulations, the premiums fixed by the Commissioner pursuant to subsection (c), and (B) an agreement by the applicant that if the loan is covered by insurance the applicant will submit such supplementary reports and statements during the effective period of the loan agreement, upon such forms, at such times, and containing such information as the Commissioner may prescribe by or pursuant to regulation.

(b)(1) In lieu of requiring a separate insurance application and issuing a separate certificate of insurance for each student loan made by an eligible lender as provided in subsection (a), the Commissioner may, in accordance with regulations consistent with section 424, issue to any eligible lender applying therefor a certificate of comprehensive insurance coverage which shall, without further action by the Commissioner, insure all insurable loans made by that lender, on or after the date of the certificate and before a specified cutoff date, within the limits of an aggregate maximum amount stated in the certificate. Such regulations may provide for conditioning such insurance, with respect to any loan, upon compliance by the lender with such requirements (to be stated or incorporated by reference in the certificate) as in the Commissioner's judgment will best achieve the purpose of this subsection while protecting the financial interest of the United States and promoting the objectives of this part, including (but not limited to) provisions as to the reporting of such loans and information relevant thereto to the Commissioner and as to the payment of initial and other premiums and the effect of default therein, and including provision for confirmation by the Commissioner from time to time (through endorsement of the certificate) of the coverage of specific new loans by such certificate, which confirmation shall be incontestable by the Commissioner in the absence of fraud or misrepresentation of fact or patent error.

(2) If the holder of a certificate of comprehensive insurance coverage issued under this subsection grants to a student a line of credit extending beyond the cutoff date specified in that certificate, loans or payments thereon made by the holder after that date pursuant to the line of credit shall not be deemed to be included in the coverage of that certificate except as may be specifically provided therein; but, subject to the limitations of section 424, the Commissioner may, in accordance with regulations, make commitments to insure such future loans or payments, and such commitments may be honored either as provided in subsection (a) or by inclusion of such insurance in comprehensive coverage under this subsection for the period or periods in which such future loans or payments are made.

(c) The Commissioner shall, pursuant to regulations, charge for insurance on each loan under this part a premium in an amount not to exceed one-fourth of 1 per centum per year of the unpaid principal amount of such loan (excluding interest added to principal) payable in advance, at such times and in such manner as may be prescribed by the Commissioner. Such regulations may provide that such premium shall not be payable, or if paid shall be refundable, with respect to any period after default in the payment of principal or interest or after the borrower has died or becomes totally and permanently disabled, if (1) notice of such default or other event has been duly given, and (2) request for payment of the loss insured against has been made or the Commissioner has made such payment on his own motion pursuant to section 430(a).

(d) The rights of an eligible lender arising under insurance evidenced by a certificate of insurance issued to it under this section may be assigned as security by such lender only to another eligible lender, and subject to regulation by the Commissioner.

(e) The consolidation of the obligations of two or more federally-insured loans obtained by a student borrower in any fiscal year into a single obligation evidenced by a single instrument of indebtedness shall not affect the insurance by the United States. If the loans thus consolidated are covered by separate certificates of insurance issued under subsection (a), the Commissioner may upon surrender of the original certificates issue a new certificate of insurance in accordance with that subsection upon the consolidated obligation; if they are covered by a single comprehensive certificate issued under subsection (b), the Commissioner may amend that certificate accordingly.

(20 U.S.C. 1079) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 429, 79 Stat. 1243.

DEFAULT OF STUDENT UNDER FEDERAL LOAN INSURANCE PROGRAM

SEC. 430. (a) Upon default by the student borrower on any loan covered by Federal loan insurance pursuant to this part, and prior to the commencement of suit or other enforcement proceedings upon security for that loan, the insurance beneficiary shall promptly notify the Commissioner, and the Commissioner shall if requested (at that time or after further collecting efforts) by the beneficiary, or may on his own motion, if the insurance is still in effect, pay to the beneficiary the amount of the loss sustained by the insured upon that loan as soon as that amount has been determined. The "amount of the loss" on any loan shall, for the purposes of this subsection and subsection (b), be deemed to be an amount equal to the unpaid balance of the principal amount of the loan (other than interest added to principal).

(b) Upon payment by the Commissioner of the amount of the loss pursuant to subsection (a), the United States shall be subrogated for all of the rights of the holder of the obligation upon the insured loan and shall be entitled to an assignment of the note or other evidence of the insured loan by the insurance beneficiary. If the net recovery made by the Commissioner on a loan after deduction of the cost of that recovery (including reasonable administrative costs) exceeds the amount of the loss, the excess shall be paid over to the insured.

(c) Nothing in this section or in this part shall be construed to preclude any forbearance for the benefit of the student borrower which may be agreed upon by the parties to the insured loan and approved by the Commissioner, or to preclude forbearance by the Commissioner in the enforcement of the insured obligation after payment on that insurance.

(d) Nothing in this section or in this part shall be construed to excuse the holder of a federally insured loan from exercising reasonable care and diligence in the making and collection of loans under the provisions of this part. If the Commissioner, after reasonable notice and opportunity for hearing to an eligible lender, finds that it has substantially failed to exercise such care and diligence or to make the reports and statements required under section 428(a)(3) and section 429(a)(3), or to pay the required Federal loan insurance premiums, he shall disqualify that lender for further Federal insurance on loans granted pursuant to this part until he is satisfied that its failure has ceased and finds that there is reasonable assurance that the lender will in the future exercise necessary care and diligence or comply with such requirements, as the case may be.

(e) As used in this section—

(1) the term "insurance beneficiary" means the insured or its authorized assignee in accordance with section 429(d); and

(2) the term "default" includes only such defaults as have existed for (A) one hundred and twenty days in the case of a loan which is repayable in monthly installments, or (B) one hundred and eighty days in the case of a loan which is repayable in less frequent installments.

(20 U.S.C. 1080) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 430, 79 Stat. 1244; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 113, 82 Stat. 1021.

INSURANCE FUND

SEC. 431. (a) There is hereby established a student loan insurance fund (hereinafter in this section called the "fund") which shall be available without fiscal year limitation to the Commissioner for making payments in connection with the default of loans insured by him under this part, or in connection with payments under a guaranty agreement under section 428(c). All amounts received by the Commissioner as premium charges for insurance and as receipts, earnings, or proceeds derived from any claim or other assets acquired by the Commissioner in connection with his operations under this part, and any other moneys, property, or assets derived by the Commisisoner from his operations in connection with this section, shall be deposited in the fund. All payments in connection with the default of loans insured by the Commissioner under this part, or in connection with such guaranty agreements shall be paid from the fund. Moneys in the fund not needed for current operations under this section may be invested in bonds or other obligations guaranteed as to principal and interest by the United States.

(b) If at any time the moneys in the fund are insufficient to make payments in connection with the default of any loan insured by the Commissioner under this part, or in connection with any guaranty agreement made under section 428(c), the Commissioner is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Commissioner from such fund.

(20 U.S.C. 1081) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 431, 79 Stat. 1245; amended Aug. 3, 1968, P.L. 90–460, sec. 3, 82 Stat. 638.

LEGAL POWERS AND RESPONSIBILITIES

SEC. 432. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this part, the Commissioner may—

(1) prescribe such regulations as may be necessary to carry out the purposes of this part;

(2) sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this part without regard to the amount in controversy, and any action instituted under this subsection by or against the Commissioner shall survive notwithstanding any change in the person occupying the office of Commissioner or any vacancy in that office; but no attachment, injunction, garnishment, or other similar process, mesne, or final, shall be issued against the Commissioner or property under his control, and nothing herein shall be construed to except litigation arising out of activities under this part from the application of sections 507(b) and 2679 of title 28 of the United States Code and of section 316 of Title 5.[1]

(3) include in any contract for Federal loan insurance such terms, conditions, and covenants relating to repayment of principal and payment of interest, relating to his obligations and rights and to those of eligible lenders, and borrowers in case of default, and relating to such other matters as the Commissioner determines to be necessary to assure that the purposes of this part will be achieved; and any term, condition, and covenant made pursuant to this clause or any other provisions of this part may be modified by the Commissioner if he determines that modification is necessary to protect the financial interest of the United States;

(4) subject to the specific limitations in this part, consent to the modification, with respect to rate of interest, time of payment of any installment of principal and interest or any portion thereof, or any other provision of any note or other instrument evidencing a loan which has been insured by him under this part;

(5) enforce, pay, or compromise, any claim on, or arising because of, any such insurance or any guarantee agreement under section 428(c); and

(6) enforce, pay, compromise, waive, or release any right, title, claim, lien, or demand, however acquired, including any equity or any right or redemption.

(b) The Commissioner shall, with respect to the financial operations arising by reason of this part—

(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act; and

(2) maintain with respect to insurance under this part an integral set of accounts, which shall be audited annually by the General Accounting Office in accordance with principles and procedures applicable to commercial corporate transactions, as provided by section 105 of the Government Corporation Control Act, except that the transactions of the Commissioner, including the settlement of insurance claims and of claims for payments pursuant to section 428, and transactions related thereto and vouchers approved by the Commissioner in connection with such transactions, shall be final and conclusive upon all accounting and other officers of the Government.

(20 U.S.C. 1082) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 432, 79 Stat. 1246; amended Aug. 3, 1968, P.L. 90–460, sec. 3, 82 Stat. 638.

DIRECT LOANS

SEC. 433. (a) The Commissioner may make a direct loan to any student who would be eligible for an insured loan for study at a vocational school under this part if (1) in the particular area in which the student resides loans which are insurable under this Act are not available at the rate of interest prescribed by the Secretary pursuant to section 427(a)(2)(D) for such area, or (2) the particular student has been unable to obtain an insured loan at a rate of interest which does not exceed such rate prescribed by the Secretary.

---

[1] 28 U.S.C. 507(G) repealed and replaced by 28 U.S.C. 509 and 547. 5 U.S.C. 316 repealed and replaced by 28 U.S.C. 517, Sept. 6, 1966, P.L. 89–554, sec. 8a, 80 Stat. 633.

(b) Loans made under this section shall bear interest at the rate prescribed by the Secretary under section 427(a)(2)(D) for the area where the student resides, and shall be made on such other terms and conditions as the Commissioner shall prescribe, which shall conform as nearly as practicable to the terms and conditions of loans insured under this Act.

(c) There is authorized to be appropriated the sum of $1,000,000 for the fiscal year ending June 30, 1969 and for each of the succeeding fiscal years ending prior to July 1, 1975 to carry out this section.

(20 U.S.C. 1083) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 433, 79 Stat. 1247; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 116, 82 Stat. 1024; amended June 23, 1972, P.L. 92–318, sec. 132(c), 86 Stat. 261.

PARTICIPATION BY FEDERAL CREDIT UNIONS IN FEDERAL, STATE, AND PRIVATE STUDENT LOAN INSURANCE PROGRAMS

SEC. 431. Notwithstanding any other provision of law, Federal credit unions shall, pursuant to regulations of the Director of the Bureau of Federal Credit Unions, have power to make insured loans up to 15 per centum of their assets, to student members in accordance with the provisions of this part relating to federally insured loans, or in accordance with the provisions of any State or nonprofit private student loan insurance program which meets the requirements of section 428(a)(1)(C).

(20 U.S.C. 1084) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 434, 79 Stat. 1247; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 116, 82 Stat. 1024.

DEFINITIONS FOR REDUCED-INTEREST STUDENT LOAN INSURANCE PROGRAM

SEC. 435. As used in this part:

(a) The term "eligible institution" means (1) an institution of higher education, (2) a vocational school, or (3) with respect to students who are nationals of the United States, an institution outside the States which is comparable to an institution of higher education or to a vocational school and which has been approved by the Commissioner for purposes of this part.

(b) The term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose or, if not so accredited, (A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made. that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B) is an institution whose credits are accepted on transfer by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. Such term includes any public or other nonprofit collegiate or associate degree school of nursing and any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provisions of clauses (1), (2), (4), and (5). If the Commissioner determines that a particular category of such schools does not meet the requirements of clause (5) because there is no nationally recognized accrediting agency or association qualified to accredit schools in such category, he shall, pending the establishment of such an accrediting agency or association, appoint an advisory committee, composed of persons specially qualified to evaluate training provided by schools in such category, which shall (i) prescribe the standards of content, scope, and quality which must be met in order to qualify schools in such category to participate in the program pursuant to this part, and (ii) determine whether particular schools not meeting the requirements of clause (5) meet those standards. For purposes of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "vocational school" means a business or trade school or technical institution or other technical or vocational school, in any State, which (1) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (2) is legally authorized to provide, and provides within that State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; (3) has been in existence for two years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subsection; and (4) is accredited (A) by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this clause, (B) if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit schools of a particular category, by a State agency listed by the Commissioner pursuant to this clause and (C) if the Commissioner determines there is no nationally recognized or State agency or association qualified to accredit schools of a particular category, by an advisory committee appointed by him and composed of persons specially qualified to evaluate training provided by schools of that category, which committee shall prescribe the standards of content, scope, and quality which must be met by those schools in order for loans to students attending them to be insurable under this part and shall also determine whether particular schools meet those standards. For the purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations and State agencies which he determines to be reliable authority as to the quality of education or training afforded.

(d) The term "collegiate school of nursing" means a department, division, or other administrative unit in a college or university which provides primarily or exclusively an accredited program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing.

(e) The term "associate degree school of nursing" means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively an accredited two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree.

(f) The term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education.

(g) The term "eligible lender" means an eligible institution, an agency or instrumentality of a State, or a financial or credit institution (including an insurance company) which is subject to examination and supervision by an agency of the United States or of any State, or a pension fund approved by the Commissioner for this purpose.

(h) The term "line of credit" means an arrangement or agreement between the lender and the borrower whereby a loan is paid out by the lender to the borrower in annual installments, or whereby the lender agrees to make, in addition to the initial loan, additional loans in subsequent years.

(20 U.S.C. 1085) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 435, 79 Stat. 1247; as amended Oct. 29, 1966, P.L. 89-698, Title II, sec. 204, 80 Stat. 1072; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 116, 82 Stat. 1023-26.

DISTRICT OF COLUMBIA STUDENT LOAN INSURANCE PROGRAM

SEC. 436. (a) The Board of Commissioners of the District of Columbia is authorized (1) to establish a student loan insurance program which meets the requirements of this part for a State loan insurance program in order to enter into agreements with the Commissioner for the purposes of this title and such Act, (2) to enter into such agreements with the Commissioner, (3) to use amounts appropriated to such Board for the purposes of this section to establish a fund for such purposes and for expenses in connection therewith, and (4) to accept and use donations for the purposes of this section.

(b) Notwithstanding the provisions of any applicable law, if the borrower, on any loan insured under the program established pursuant to this section, is a minor, any otherwise valid note or other written agreement executed by him for the purposes of such loan shall create a binding obligation.

(c) There are authorized to be appropriated to such Board such amounts as may be necessary for the purposes of this section.

(20 U.S.C. 1086) Enacted Nov. 3, 1966, P.L. 89-752, sec. 12, 80 Stat. 1244; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 116, 82 Stat. 1024.

REPAYMENT BY COMMISSIONER OF LOANS OF DECEASED OR DISABLED BORROWERS

Sec. 437. If a student borrower who has received a loan with respect to which a portion of the interest (1) is payable by the Commissioner under section 428(a), or (2) would be payable but for the adjusted family income of the borrower, dies or becomes permanently and totally disabled (as determined in accordance with regulations of the Commissioner), then the Commissioner shall discharge the borrower's liability on the loan by repaying the amount owed on the loan.

(20 U.S.C. 1087) Enacted Oct. 16, 1968, P.L. 90-575, Title I, sec. 113, 82 Stat. 1020.

ELIGIBILITY OF INSTITUTIONS

Sec. 438(a) * * *.

(b) The Commissioner shall publish a list of State agencies which he determines to be reliable authority as to the quality of public postsecondary vocational education in their respective States for the purpose of determining eligibility for all Federal student assistance programs.

(20 U.S.C. 1087-1) Enacted June 23, 1972, P.L. 92-318, sec. 132E(a), 86 Stat. 264.

(Note.—The following provisions govern all loans made under the Student Loan Program between July 1, 1972 and August 18, 1972 or after March 1, 1973.)

Part B—Federal, State, and Private Programs of Low-Interest Insured Loans to Students in Institutions of Higher Education[1]

STATEMENT OF PURPOSE AND APPROPRIATIONS AUTHORIZED

Sec. 421. (a) The purpose of this part is to enable the Commissioner (1) to encourage States and nonprofit private institutions and organizations to establish adequate loan insurance programs for students in eligible institutions (as defined in section 435), (2) to provide a Federal program of student loan insurance for students or lenders who do not have reasonable access to a State or private nonprofit program of student loan insurance covered by an agreement under section 428(b), (3) to pay a portion of the interest on loans to qualified students which are made by a State under a direct loan program meeting the requirements of section 428(a)(1)(B), or which are insured under this part or under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1)(C), and (4) to guarantee a portion of each loan insured under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1)(C).

(b) For the purpose of carrying out this part—

(1) there are authorized to be appropriated to the student loan insurance fund (established by section 431) (A) the sum of $1,000,000, and (B) such further sums, if any, as may become necessary for the adequacy of the student loan insurance fund,

(2) there are authorized to be appropriated, for payments under section 428 with respect to interest and administrative cost allowances on student loans and for payments under section 437, such sums for the fiscal year ending June 30, 1966, and succeeding fiscal years, as may be required therefor,

(3) there is authorized to be appropriated the sum of $17,500,000 for making advances pursuant to section 422 for the reserve

---

[1] "The Emergency Insured Student Loan Act of 1969" modifies title IV-B with respect to special allowances for lenders of insured student loans. Text appears on page 434.

funds of State and nonprofit private student loan insurance programs, and

(4) there is authorized to be appropriated the sum of $12,-500,000 for making advances after June 30, 1968, pursuant to section 422 for the reserve funds of State and nonprofit private student loan insurance programs.

Sums appropriated under clauses (1), (2) and (4) of this subsection shall remain available until expended, and sums appropriated under clause (3) of this subsection shall remain available for advances under section 422 until the close of the fiscal year ending June 30, 1968.

(20 U.S.C. 1071) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 421, 79 Stat. 1236; amended Aug. 3, 1968, P.L. 90–460, secs. 2, 3, 82 Stat. 635–6; amended Oct. 16, 1968, P.L. 90–575, Title I, secs. 113, 114, 119, 82 Stat. 1020, 1021, 1027.

ADVANCES FOR RESERVE FUNDS OF STATE AND NONPROFIT PRIVATE LOAN INSURANCE PROGRAMS

SEC. 422. (a)(1) From the sums appropriated pursuant to clauses (3) and (4) of section 421(b), the Commissioner is authorized to make advances to any State with which he has made an agreement pursuant to section 428(b) for the purpose of helping to establish or strengthen the reserve fund of the student loan insurance program covered by that agreement. If for any fiscal year a State does not have a student loan insurance program covered by an agreement made pursuant to section 428(b), and the Commissioner determines after consultation with the chief executive officer of that State that there is no reasonable likelihood that the State will have such a student loan insurance program for such year, the Commissioner may make advances for such year for the same purpose to one or more nonprofit private institutions or organizations with which he has made an agreement pursuant to section 428(b) in order to enable students in the State to participate in a program of student loan insurance covered by such an agreement. The Commissioner may make advances under this subsection both to a State program (with which he has such an agreement) and to one or more nonprofit private institutions or organizations (with which he has such an agreement) in that State if he determines that such advances are necessary in order that students in each eligible institution have access through such institution to a student loan insurance program which meets the requirement of section 428(b)(1).

(2) No advance shall be made after June 30, 1968, unless matched by an equal amount from non-Federal sources. Such equal amount may include the unencumbered non-Federal portion of a reserve fund. As used in the preceding sentence, the term "unencumbered non-Federal portion" means the amount (determined as of the time immediately preceding the making of the advance) of the reserve fund less the greater of (A) the sum of (i) advances made under this section prior to July 1, 1968, (ii) an amount equal to twice the amount of advances made under this section after June 30, 1968, and before the advance for purposes of which the determination is made, and (iii) the proceeds of earnings on advances made under this section, or (B) any amount which is required to be maintained in such fund pursuant to State law or regulation, or by agreement with lenders, as a reserve against the insurance of outstanding loans.

(3) Advances pursuant to this subsection shall be upon such terms and conditions (including conditions relating to the time or times of payment) consistent with the requirements of section 428(b) as the Commissioner determines will best carry out the purposes of this section. Advances made by the Commissioner under this subsection shall be repaid within such period as the Commissioner may deem to be appropriate in each case in the light of the maturity and solvency of the reserve fund for which the advance was made.

(b)(1) The total of the advances to any State prior to July 1, 1968, pursuant to subsection (a) may not exceed an amount which bears the same ratio to 2½ per centum of $700,000,000 as the population of that State aged eighteen to twenty-two, inclusive, bears to the total population of all the States aged eighteen to twenty-two, inclusive. The amount available, however, for advances to any State for each fiscal year ending prior to July 1, 1968, shall not be less than $25,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $25,000 per year) the amount available for advances to each of the remaining States. Advances to nonprofit private institutions and organizations prior to July 1, 1968, pursuant to subsection (a) may be in such amounts as the Commissioner determines will best achieve the purposes for which they are made, except that the sum of (1) advances to such institutions and organizations for the benefit of students in any State plus (2) the amounts advanced to such State, may not exceed the maximum amount which may be advanced to that State pursuant to the first two sentences of this subsection.

(2) The total of the advances from the sums appropriated pursuant to clause (4) of section 421(b)(A) to nonprofit private institutions and organizations for the benefit of students in any State and (B) to such State may not exceed an amount which bears the same ratio to such sums as the population of such State aged eighteen to twenty-two, inclusive, bears to the population of all the States aged eighteen to twenty-two, inclusive, but such advances may otherwise be in such amounts as the Commissioner determines will best achieve the purposes for which they are made. The amount available, however, for advances to any State shall not be less than $25,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $25,000) the amount available for advances to each of the remaining States.

(3) For the purposes of this subsection, the population aged eighteen to twenty-two, inclusive, of each State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(20 U.S.C. 1072) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 422, 79 Stat. 1236; amended Nov. 3, 1966, P.L. 89-752, sec. 11, 80 Stat. 1243; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 114, 82 Stat. 1021.

EFFECTS OF ADEQUATE NON-FEDERAL PROGRAMS

SEC. 423. (a) Except as provided in subsection (b), the Commissioner shall not issue certificates of insurance under section 429 to lenders in a State if he determines that every eligible institution has reasonable access in that State to a State or private nonprofit student loan insurance program which is covered by an agreement under section 428(b).

(b) The Commissioner may issue certificates of insurance under section 429 to a lender in a State—

(1) for insurance of a loan made to a student borrower who does not, by reason of his residence, have access to loan insurance under the loan insurance program of such State (or under any private nonprofit loan insurance program which has received an advance under section 422 for the benefit of students in such State), or

(2) for insurance of all of the loans made to student borrowers by a lender who satisfies the Commissioner that, by reason of the residence of such borrowers, he will not have access to any single State or nonprofit private loan insurance program which will insure substantially all of the loans he intends to make to such student borrowers.

(20 U.S.C. 1073) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 423, 79 Stat. 1237; amended Oct. 16, 1968, P.L. 90–575, sec. 119, 82 Stat. 1026.

SCOPE AND DURATION OF FEDERAL LOAN INSURANCE PROGRAM

SEC. 424. (a) The total principal amount of new loans made and installments paid pursuant to lines of credit (as defined in section 435) to students covered by Federal loan insurance under this part shall not exceed $1,400,000,000 for the fiscal year ending June 30, 1972, $1,600,000,000 for the fiscal year June 30, 1973, $1,800,000,000 for the fiscal year ending June 30, 1974, and $2,000,000,000 for the fiscal year ending June 30, 1975. Thereafter, Federal loan insurance pursuant to this part may be granted only for loans made (or for loan installments paid pursuant to lines of credit) to enable students, who have obtained prior loans insured under this part, to continue or complete their educational program; but no insurance may be granted for any loan made or installment paid after June 30, 1979.

(b) The Commissioner may, if he finds it necessary to do so in order to assure an equitable distribution of the benefits of this part, assign, within the maximum amounts specified in subsection (a), Federal loan insurance quotas applicable to eligible lenders, or to States or areas, and may from time to time reassign unused portions of these quotas.

(20 U.S.C. 1074) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 424, 79 Stat. 1237; amended Aug. 3, 1968, P.L. 90–460, sec. 1, 82 Stat. 634; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 112, 82 Stat. 1020; amended June 23, 1972, P.L. 92–318, sec. 132(a), 86 Stat. 261.

LIMITATIONS ON INDIVIDUAL FEDERALLY INSURED LOANS AND ON FEDERAL LOAN INSURANCE

SEC. 425. (a) The total of the loans made to a student in any academic year or its equivalent (as determined under regulations of the Commissioner) which may be covered by Federal loan insurance under this part may not exceed $2,500, except in cases where the Commissioner determines, pursuant to regulations prescribed by him, that a higher amount is warranted in order to carry out the purposes of this part with respect to students engaged in specialized training requiring exceptionally high costs of education. The aggregate insured unpaid principal amount for all such insured loans made to any student shall not at any time exceed $7,500, in the case of any student who has not successfully completed a program of undergraduate education, and $10,000 in the case of any graduate or professional student (as defined by regulations of the Commissioner and including any loans which are insured by the Commissioner under this part or by a State or nonprofit institution or organization with which the Commissioner has an agreement under section 428(b) made to such person before he became a graduate or professional student). The annual insurable limit per student shall not be deemed to be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any years in excess of the annual limit.

(b) The insurance liability on any loan insured by the Commissioner under this part shall be 100 per centum of the unpaid balance of the principal amount of the loan plus interest. The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under the provisions of section 430 or 437 of this part.

(20 U.S.C. 1075) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 425, 79 Stat. 1238; amended Oct. 16, 1968, P.L. 90–575, Title I, secs. 116, 120, 82 Stat. 1023 and 1027; amended June 23, 1972, P.L. 92–318, sec. 132(a), 86 Stat. 261; further amended June 23, 1972, P.L. 92–318, sec. 132B(a), 86 Stat. 262.

SOURCES OF FUNDS

SEC. 426. Loans made by eligible lenders in accordance with this part shall be insurable by the Commissioner whether made from funds fully owned by the lender or from funds held by the lender in a trust or similar capacity and available for such loans.

(20 U.S.C. 1076) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 426, 79 Stat. 1238.

ELIGIBILITY OF STUDENT BORROWERS AND TERMS OF FEDERALLY INSURED STUDENT LOANS

SEC. 427. (a) A loan by an eligible lender shall be insurable by the Commissioner under the provisions of this part only if—

(1) made to a student who (A) has been accepted for enrollment at an eligible institution or, in the case of a student already attending such institution, is in good standing there as determined by the institution, and (B) is carrying at least one-half of the normal full-time workload as determined by the institution; and

(2) evidenced by a note or other written agreement which—

(A) is made without security and without endorsement, except that if the borrower is a minor and such note or other written agreement executed by him would not, under the applicable law, create a binding obligation, endorsement may be required,

(B) provides for repayment (except as provided in subsection (c)) of the principal amount of the loan in installments over a period of not less than five years (unless sooner repaid) nor more than ten years beginning not earlier than nine months nor later than one year after the date on which the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution, except (i) as provided in clause (C) below, (ii) that the period of the loan may not exceed fifteen years from the execution of the note or written agreement evidencing it, and (iii) that the note or other written instrument may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the cost of insurance premiums, or other default by the borrower, as may be authorized by regulations of the Commissioner in effect at the time the loan is made,

(C) provides that periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period (i) during which the borrower is pursuing a full-time course of study at an "eligible institution", (ii) not in excess of three years, during which the borrower is a member of the Armed Forces of the United States, (iii) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act, or (iv) not in excess of three years during which the borrower is in service as a full-time volunteer under title VIII of the Economic Opportunity Act of 1964, and any such period shall not be included in determining the ten-year period or the fifteen-year period provided in clause (B) above,

(D) provides for interest on the unpaid principal balance of the loan at a yearly rate, not exceeding the applicable maximum rate prescribed and defined by the Secretary (within the limits set forth in subsection (b)) on a national, regional, or other appropriate basis, which interest shall be payable in installments over the period of the loan except that, if provided in the note or other written agreement, any interest payable by the student may be deferred until not later than the date upon which repayment of the first installment of principal falls due, in which case interest that has so accrued during that period may be added on that date to the principal,

(E) provides that the lender will not collect or attempt to collect from the borrower any portion of the interest on the note which is payable by the Commissioner under this part, and that the lender will enter into such agreements with the Commissioner as may be necessary for the purposes of section 437,

(F) entitles the student borrower to accelerate without penalty repayment of the whole or any part of the loan, and

(G) contains such other terms and conditions, consistent with the provisions of this part and with the regulations issued by the Commissioner pursuant to this part, as may be agreed upon by the parties to such loan, including, if agreed upon, a provision requiring the borrower to pay to the lender, in addition to principal and interest, amounts equal to the insurance premiums payable by the lender to the Commissioner with respect to such loan.

(b) No maximum rate of interest prescribed and defined by the Secretary for the purposes of clause (2)(D) of subsection (a) may exceed 7 per centum per annum on the unpaid principal balance of the loan.

(c) The total of the payments by a borrower during any year of any repayment period with respect to the aggregate amount of all loans to that borrower which are insured under this part, or which are made by a State or the Commissioner under section 425(a)(1)(B) or 433, respectively, shall not be less than $360 or the balance of all of such loans (together with interest therein), whichever amount is less.

(20 U.S.C. 1077) Enacted Nov. 8, 1965, P.L. 89-320, Title IV, sec. 427, 79 Stat. 1238; amended Nov. 8, 1966, P.L. 89-794, Title XI, sec. 1101(b), 80 Stat. 1476; amended Aug. 3, 1968, P.L. 90-460, sec. 2, 82 Stat. 635; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 113, 116, 120, 82 Stat. 1021, 1023, 1027; amended June 23, 1972, P.L. 92-318, sec. 132B(b), 86 Stat. 262; further amended June 23, 1972, P.L. 92-318, sec. 132C(c), 86 Stat. 263.

FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS

SEC. 428. (a)(1) Each student who has received a loan for study at an eligible institution—

(A) which is insured by the Commissioner under this part;

(B) which was made under a State student loan program (meeting criteria prescribed by the Commissioner), and which was contracted for, and paid to the student, within the period specified by paragraph (5); or

(C) which is insured under a program of a State or of a nonprofit private institution or organization which was contracted for, and paid to the student, within the period specified in paragraph (5), and which—

(i) in the case of a loan insured prior to July 1, 1967, was made by an eligible lender and is insured under a program which meets the requirements of subparagraph (E) of subsection (b)(1) and provides that repayment of such loan shall be in installments beginning not earlier than sixty days after the student ceases to pursue a course of study (as described in subparagraph (D) of subsection (b)(1)) at an eligible institution, or

(ii) in the case of a loan insured after June 30, 1967, is insured under a program covered by an agreement made pursuant to subsection (b),

shall be entitled to have paid on his behalf and for his account to the holder of the loan a portion of the interest on such loan at the time of execution of the note or written agreement evidencing such loan under circumstances described in paragraph (2).

(2)(A) Each student qualifying for a portion of an interest payment under paragraph (1) shall—

(i) have provided to the lender a statement from the eligible institution, at which the student has been accepted for enrollment, or at which he is in attendance in good standing (as determined by such institution), which—

(I) sets forth such student's estimated costs of attendance and

(II) sets forth such student's estimated financial assistance; and

(ii) meet the requirements of subparagraph (B).

(B) For the purposes of clause (ii) of subparagraph (A), a student shall qualify for a portion of an interest payment under paragraph (1) if such student's adjusted family income—

(i) is less than $15,000, and—

(I) the amount of such loan would not cause the total amount of the student's loans insured by the Commissioner under this part or by a State or nonprofit private institution or organization which has an agreement under subsection (b) to exceed $2,000 in any academic year, or its equivalent, or

(II) the amount of such loan would cause the total amounts of the loans described in clause (I) of this subparagraph of that student to exceed $2,000 in any academic year or its equivalent, and the eligible institution has provided, with respect to the amount of such loans in excess of $2,000, the lender with a statement recommending the amount of such excess; or

(ii) is equal to or greater than $15,000, and the eligible institution has provided the lender with a statement evidencing a determination of need and recommending a loan in the amount of such need.

(C) For the purposes of paragraph (1) and this paragraph—

(i) a student's estimated cost of attendance means, for the period for which the loan is sought, the tuition and fees applicable to such student together with the institution's estimate of other expenses reasonably related to attendance at such institution, including, but not limited to, the cost of room and board, reasonable commuting costs, and costs for books;

(ii) a student's estimated financial assistance means, for the period for which the loan is sought, the amount of assistance such student will receive under parts A, C, and E of this title, plus other scholarship, grant, or loan assistance;

(iii) the term 'eligible institution' when used with respect to a student is the eligible institution at which the student has been accepted for enrollment or, in the case of a student who is in attendance at such an institution is in good standing (as determined by such institution);

(iv) the determination of need and the amount of a loan recommended by an eligible institution under subparagraph (B)(ii) and the amount of loans in excess of $2,000 recommended by an eligible institution under subparagraph (B)(i)(II) with respect to a student shall be determined by subtracting from the estimated cost of attendance at such institution the total of the expected family contribution with respect to such student (as determined by means other than one formulated by the Commissioner under subpart 1 of part A of this title) plus any other resources or student financial assistance reasonably available to such student.

(D) In addition, the Commissioner shall pay an administrative cost allowance in the amount established by paragraph (3)(B) of this subsection with respect to loans to any student without regard to the borrower's need. For the purposes of this paragraph, the adjusted family income of a student shall be determined pursuant to regulations of the Commissioner in effect at the time of the execution of the note or written agreement evidencing the loan. Such regulations shall provide for taking into account such factors, including family size, as the Commissioner deems appropriate. In the absence of fraud by the lender, such determination of the need of a student under this paragraph shall be final insofar as it concerns the obligation of the Commissioner to pay the holder of a loan a portion of the interest on the loan.

(3)(A) The portion of the interest on a loan which a student is entitled to have paid on his behalf and for his account to the holder of the loan pursuant to paragraph (1) of this subsection shall be equal to the total amount of the interest on the unpaid principal amount of the loan which accrues prior to the beginning of the repayment period of the loan, or which accrues during a period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (e) of this section or in section 427(a)(2)(C); but such portion of the interest on a loan shall not exceed, for any period, the amount of the interest on that loan which is payable by the student after taking into consideration the amount of any interest on that loan which the student is enitled to have paid on his behalf for that period under any State or private loan insurance program. The holder of a loan with respect to which payments are required to be made under this section shall be deemed to have a contractual right, as against the United States, to receive from the Commissioner the portion of interest which has been so determined and the administrative cost allowance payable under this subsection. The Commissioner shall pay this portion of the interest and administrative cost allowance to the holder of the loan on behalf of and for the account of the borrower at such times as may be specified in regulations in force when the applicable agreement entered into pursuant to subsection (b) was made, or if the loan was made by a State or is insured under a program which is not covered by such an agreement, at such times as may be specified in regulations in force at the time the loan was paid to the student.

(B) If (i) a State student loan insurance program is covered by an agreement under subsection (b), (ii) a statute of such State limits the interest rate on loans insured by such program to a rate which is less than 7 per centum per annum on the unpaid principal balance, and (iii) the Commissioner determines that section 428(d) does not make such statutory limitation inapplicable and that such statutory limitation threatens to impede the carrying out of the purposes of this part, then he may pay an administrative cost allowance to the holder of each loan which is insured under such program and which is made during the period beginning on the sixtieth day after the date of enactment of the Higher Education Amendments of 1968 and ending 120 days after the adjournment of such State's first regular legislative session which adjourns after January 1, 1969. Such administrative cost allowance shall be paid over the term of the loan in an amount per annum (determined by the Commissioner) which shall not exceed 1 per centum of the unpaid principal balance of the loan.

(4) Each holder of a loan with respect to which payments of interest or of administrative cost allowances are required to be made by the Commissioner shall submit to the Commissioner, at such time or times

and in such manner as he may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to determine the amount of the payment which he must make with respect to that loan.

(5) The period referred to in subparagraphs (B) and (C) of paragraph (1) of this subsection shall begin on the date of enactment of this Act and end at the close of June 30, 1975, except that, in the case of a loan made or insured under a student loan or loan insurance program to enable a student who has obtained a prior loan made or insured under such program to continue his educational program, such period shall end at the close of June 30, 1979.

(6) No payment may be made under this section with respect to the interest on a loan made from a student loan fund established under title II of the National Defense Education Act of 1958.

(7) Nothing in this or any other Act shall be construed to prohibit or require unless otherwise specifically provided by law, a lender to evaluate the total financial situation of a student making application for a loan under this part, or to counsel a student with respect to any such loan, or to make a decision based on such evaluation and counseling with respect to the dollar amount of any such loan.

(b)(1) Any State or any nonprofit private institution or organization may enter into an agreement with the Commissioner for the purpose of entitling students who receive loans which are insured under a student loan insurance program of that State, institution, or organization to have made on their behalf the payments provided for in subsection (a) if the Commissioner determines that the student loan insurance program—

(A) authorizes the insurance of not less than $1,000 nor more than $2,500, (except in those cases where the Commissioner determines, pursuant to regulations prescribed by him, that a higher amount is warranted in order to carry out the purposes of this part with respect to students engaged in specialized training requiring exceptionally high costs of education) in loans to any individual student in any academic year or its equivalent (as determined under regulations of the Commissioner), which limit shall not be deemed exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any such year in excess of such annual limit; and provides that the aggregate insured unpaid principal amount of all such insured loans made to any student shall not at any time exceed $7,500 in the case of any student who has successfully completed a program of undergraduate education, and $10,000 in the case of any graduate or professional student (as defined by regulations of the Commissioner and including any loans which are insured by the Commissioner under this part or by a State or nonprofit institution or organization with which the Commissioner has an agreement under this part made to such person before he became a graduate or professional student);

(B) authorizes the insurance of loans to any individual student for at least six academic years of study or their equivalent (as determined under regulations of the Commissioner);

(C) provides that (i) the student borrower shall be entitled to accelerate without penalty the whole or any part of an insured loan, (ii) except as provided in subsection (e) of this section, the period of any insured loan may not exceed fifteen years from the date of execution of the note or other written evidence of the loan; and (iii) the note or other written evidence of any loan may contain such provisions relating to repayment in the event of default by the borrower as may be authorized by regulations of the Commissioner in effect at the time such note or written evidence was executed;

(D) subject to paragraphs (C) and (K) of this paragraph and except as provided by subsection (e) of this section, provides that repayment of loans shall be in installments over a period of not less than five years nor more than ten years beginning not earlier than nine months nor later than one year after the student ceases to pursue a full-time course of study at an eligible institution, exception that if the program provides for the insurance of loans for part-time study at eligible institutions the program shall provide that such repayment period shall begin not earlier than nine months nor later than one year after the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution;

(E) authorizes interest on the unpaid balance of the loan at a yearly rate not in excess of 7 per centum per annum on the unpaid principal balance of the loan (exclusive of any premium for insurance which may be passed on to the borrower);

(F) insures not less than 80 per centum of the unpaid principal of loans insured under the program;

(G) does not provide for collection of an excessive insurance premium;

(H) provides that the benefits of the loan insurance program will not be denied any student who is eligible for interest benefits under section 428(a) (1) and (2) except in the case of loans made by an instrumentality of a State or eligible institution;

(I) provides that a student may obtain insurance under the program for a loan for any year of study at an eligible institution;

(J) in the case of a State program, provides that such State program is administered by a single State agency, or by one or more nonprofit private institutions or organizations under the supervision of a single State agency;

(K) provides that the total of the payments by a borrower during any year of any repayment period with respect to the aggregate amount of all loans to that borrower which are (i) insured under this part, or (ii) made by a State or the Commissioner under section 428(a)(1)(B) or 433, respectively, shall not be less than $360 or the balance of all such loans (together with interest thereon), whichever amount is less; and

(L) provides that periodic installments of principal need not be paid, but interest shall accrue and be paid during any period (i) during which the borrower is pursuing a full-time course of study at an eligible institution, (ii) not in excess of three years during which the borrower is a member of the Armed Forces of the United States, (iii) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps

Act, or (iv) not in excess of three years during which the borrower is in service as a full-time volunteer under title VIII of the Economic Opportunity Act of 1964.

(2) Such an agreement shall—

(A) provide that the holder of any such loan will be required to submit to the Commissioner, at such time or times and in such manner as he may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to determine the amount of the payment which he must make with respect to that loan;

(B) include such other provisions as may be necessary to protect the financial interest of the United States and promote the purposes of this part, including such provisions as may be necessary for the purpose of section 437, and as are agreed to by the Commissioner and the State or nonprofit private organization or institution, as the case may be; and

(C) provide for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his function under this part and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(c)(1) The Commissioner may enter into a guaranty agreement with any State or any nonprofit private institution or organization with which he has an agreement pursuant to subsection (b), whereby the Commissioner shall undertake to reimburse it, under such terms and conditions as he may establish, in an amount equal to 80 per centum of the amount expended by it in discharge of its insurance obligation, incurred under its loan insurance program, with respect to losses (resulting from the default of the student borrower) on the unpaid balance of the principal (other than interest added to principal) of any insured loan with respect to which a portion of the interest (A) is payable by the Commissioner under subsection (a); or (B) would be payable under such subsection but for the borrower's lack of need.

(2) The guaranty agreement—

(A) shall set forth such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss thereunder, to insure proper and efficient administration of the loan insurance program, and to assure that due diligence will be exercised in the collection of loans insured under the program;

(B) shall provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this subsection, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

(C) shall set forth adequate assurance that, with respect to so much of any loan insured under the loan insurance program as may be guaranteed by the Commissioner pursuant to this subsection, the undertaking of the Commissioner under the guaranty agreement is acceptable in full satisfaction of State law or regulation requiring the maintenance of a reserve;

(D) shall provide that if, after the Commissioner has made payment under the guaranty agreement pursuant to paragraph (1) of this subsection with respect to any loan, any payments are made in discharge of the obligation incurred by the borrower with respect to such loan (including any payments of interest accruing on such loan after such payment by the Commissioner), there shall be paid over to the Commissioner (for deposit in the fund established by section 431) such proportion of the amounts of such payments as is determined (in accordance with regulations prescribed by the Commissioner) to represent his equitable share thereof, but shall not otherwise provide for subrogation of the United States to the rights of any insurance beneficiary: *Provided*, That, except as the Commissioner may otherwise by or pursuant to regulation provide, amounts so paid by a borrower on such a loan shall be first applied in reduction of principal owing on such loan; and

(E) may include such other provisions as may be necessary to promote the purposes of this part.

(3) To the extent provided in regulations of the Commissioner, a guaranty agreement under this subsection may contain provisions which permit such forbearance for the benefit of the student borrower as may be agreed upon by the parties to an insured loan and approved by the insurer.

(4) For purposes of this subsection, the terms "insurance beneficiary" and "default" shall have the meanings assigned to them by section 430(e).

(5) In the case of any guaranty agreement entered into prior to September 1, 1969, with a State or nonprofit private institution or organization with which the Commissioner has in effect on that date an agreement pursuant to subsection (b) of this section, or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, made prior to the date of enactment of this subsection, the Commissioner may, in accordance with the terms of this subsection, undertake to guarantee loans described in paragraph (1) which are insured by such State, institution, or organization and are outstanding on the date of execution of the guaranty agreement, but only with respect to defaults occurring after the execution of such guaranty agreement or, if later, after its effective date.

(d) No provision of any law of the United States (other than sections 427(a)(2)(D) and 427(b) of this Act) or of any State (other than a statute applicable principally to such State's student loan insurance program) which limits the rate or amount of interest payable on loans shall apply to a loan—

(1) which bears interest (exclusive of any premium for insurance) on the unpaid principal balance at a rate not in excess of 7 per centum per annum, and

(2) which is insured (A) by the United States under this part, or (B) by a State or nonprofit private institution or organization under a program covered by an agreement made pursuant to subsection (b) of this section.

(20 U.S.C. 1078) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 428, 79 Stat. 1240; amended Aug. 3, 1968, P.L. 90–460, sec. 1, 2, 3, 82 Stat. 634–638; amended

Oct. 16, 1968, P.L. 90-575, Title I, sec. 111, 112, 113, 115, 116, 117, 1220, 82 Stat. 1020-27; amended June 23, 1972, P.L. 92-318, sec. 132(b), 86 Stat. 261; further amended June 23, 1972, P.L. 92-318, sec. 132C (a) and (b), 86 Stat 262, 263; section 428(e) repealed June 23, 1972, P.L. 92-318, sec. 132D(c), 86 Stat. 264; amended April 18, 1974, P.L. 93-269, 88 Stat. 87, 89.

CERTIFICATE OF FEDERAL LOAN INSURANCE—EFFECTIVE DATE OF INSURANCE

Sec. 429. (a)(1) If, upon application by an eligible lender, made upon such form, containing such information, and supported by such evidence as the Commissioner may require, and otherwise in conformity with this section, the Commissioner finds that the applicant has made a loan to an eligible student which is insurable under the provisions of this part, he may issue to the applicant a certificate of insurance covering the loan and setting forth the amount and terms of the insurance.

(2) Insurance evidenced by a certificate of insurance pursuant to subsection (a)(1) shall become effective upon the date of issuance of the certificate, except that the Commissioner is authorized, in accordance with regulations, to issue commitments with respect to proposed loans, or with respect to lines (or proposed lines) of credit, submitted by eligible lenders, and in that event, upon compliance with subsection (a)(1) by the lender, the certificate of insurance may be issued effective as of the date when any loan, or any payment by the lender pursuant to a line of credit, to be covered by such insurance was made. Such insurance shall cease to be effective upon sixty days' default by the lender in the payment of any installment of the premiums payable pursuant to subsection (c).

(3) An application submitted pursuant to subsection (a)(1) shall contain (A) an agreement by the applicant to pay, in accordance with regulations, the premiums fixed by the Commissioner pursuant to subsection (c), and (B) an agreement by the applicant that if the loan is covered by insurance the applicant will submit such supplementary reports and statements during the effective period of the loan agreement, upon such forms, at such times, and containing such information as the Commissioner may prescribe by or pursuant to regulation.

(b)(1) In lieu of requiring a separate insurance application and issuing a separate certificate of insurance for each student loan made by an eligible lender as provided in subsection (a), the Commissioner may, in accordance with regulations consistent with section 424, issue to any eligible lender applying therefor a certificate of comprehensive insurance coverage which shall, without further action by the Commissioner, insure all insurable loans made by that lender, on or after the date of the certificate and before a specified cutoff date, within the limits of an aggregate maximum amount stated in the certificate. Such regulations may provide for conditioning such insurance, with respect to any loan, upon compliance by the lender with such requirements (to be stated or incorporated by reference in the certificate) as in the Commissioner's judgment will best achieve the purpose of this subsection while protecting the financial interest of the United States and promoting the objectives of this part, including (but not limited to) provisions as to the reporting of such loans and information relevant thereto to the Commissioner and as to the payment of initial and other premiums and the effect of default therein, and including provision for confirmation by the Commissioner from time to time (through endorsement of the certificate) of the coverage of specific new loans by such certificate, which confirmation shall be incontestable by the Commissioner in the absence of fraud or misrepresentation of fact or patent error.

(2) If the holder of a certificate of comprehensive insurance coverage issued under this subsection grants to a student a line of credit extending beyond the cutoff date specified in that certificate, loans or payments thereon made by the holder after that date pursuant to the line of credit shall not be deemed to be included in the coverage of that certificate except as may be specifically provided therein; but, subject to the limitations of section 424, the Commissioner may, in accordance with regulations, make commitments to insure such future loans or payments, and such commitments may be honored either as provided in subsection (a) or by inclusion of such insurance on comprehensive coverage under this subsection for the period or periods in which such future loans or payments are made.

(c) The Commissioner shall, pursuant to regulations, charge for insurance on each loan under this part a premium in an amount not to exceed one-fourth of 1 per centum per year of the unpaid principal amount of such loan (excluding interest added to principal), payable in advance, at such times and in such manner as may be prescribed by the Commissioner. Such regulations may provide that such premium shall not be payable, or if paid shall be refundable, with respect to any period after default in the payment of principal or interest or after the borrower has died or becomes totally and permanently disabled, if (1) notice of such default or other event has been duly given, and (2) requests for payment of the loss insured against has been made or the Commissioner has made such payment on his own motion pursuant to section 430(a).

(d) The rights of an eligible lender arising under insurance evidenced by a certificate of insurance issued to it under this section may be assigned as security by such lender only to another eligible lender, and subject to regulation by the Commissioner.

(e) The consolidation of the obligations of two or more federally-insured loans obtained by a student borrower in any fiscal year into a single obligation evidenced by a single instrument of indebtedness shall not affect the insurance by the United States. If the loans thus consolidated are covered by separate certificates of insurance issued under subsection (a), the Commissioner may upon surrender of the original certificates issue a new certificate of insurance in accordance with that subsection upon the consolidated obligation; if they are covered by a single comprehensive certificate issued under subsection (b), the Commissioner may amend that certificate accordingly.

(20 U.S.C. 1079) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 429, 79 Stat. 1243.

DEFAULT OF STUDENT UNDER FEDERAL LOAN INSURANCE PROGRAM

SEC. 430. (a) Upon default by the student borrower on any loan covered by Federal loan insurance pursuant to this part, and prior to the commencement of suit or other enforcement proceedings upon security for that loan, the insurance beneficiary shall promptly notify the Commissioner, and the Commissioner shall if requested (at that time or after further collection efforts) by the beneficiary, or may on his own motion, if the insurance is still in effect, pay to the beneficiary the amount of the loss sustained by the insured upon that loan as soon as that amount has been determined. The "amount of the loss" on any loan shall, for the purposes of this subsection and subsection (b), be deemed to be an amount equal to the unpaid balance of the principal amount and interest.

(b) Upon payment by the Commissioner of the amount of the loss pursuant to subsection (a), the United States shall be subrogated for all of the rights of the holder of the obligation upon the insured loan and shall be entitled to an assignment of the note or other evidence of the insured loan by the insurance beneficiary. If the net recovery made by the Commissioner on a loan after deduction of the cost of that recovery (including reasonable administrative costs) exceeds the amount of the loss, the excess shall be paid over to the insured.

(c) Nothing in this section or in this part shall be construed to preclude any forbearance for the benefit of the student borrower which may be agreed upon by the parties to the insured loan and approved by the Commissioner, or to preclude forbearance by the Commissioner in the enforcement of the insured obligation after payment on that insurance.

(d) Nothing in this section or in this part shall be construed to excuse the holder of a federally insured loan from exercising reasonable care and diligence in the making and collection of loans under the provisions of this part. If the Commissioner, after reasonable notice and opportunity for hearing to an eligible lender, finds that it has substantially failed to exercise such care and diligence or to make the reports and statements required under section 428(a)(3) and section 429(a)(3), or to pay the required Federal loan insurance premiums, he shall disqualify that lender for further Federal insurance on loans granted pursuant to this part until he is satisfied that its failure has ceased and finds that there is reasonable assurance that the lender will in the future exercise necessary care and diligence or comply with such requirements, as the case may be.

(e) As used in this section—

(1) the term "insurance beneficiary" means the insured or its authorized assignee in accordance with section 429(d); and

(2) the term "default" includes only such defaults as have existed for (A) one hundred and twenty days in the case of a loan which is repayable in monthly installments, or (B) one hundred and eighty days in the case of a loan which is repayable in lesss frequent installments.

(20 U.S.C. 1080) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 430, 79 Stat. 1244; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 113, 82 Stat. 1021; amended June 23, 1972, P.L. 92–318, sec. 132(B)(c), 86 Stat. 262.

INSURANCE FUND

SEC. 431. (a) There is hereby established a student loan insurance fund (hereinafter in this section called the "fund") which shall be available without fiscal year limitation to the Commissioner for making payments in connection with the default of loans insured by him under this part, or in connection with payments under a guaranty agreement under section 428(c). All amounts received by the Commissioner as premium charges for insurance and as receipts, earnings, or proceeds derived from any claim or other assets acquired by the Commissioner in connection with his operations under this part, and any other moneys, property, or assets derived by the Commissioner from his operations in connection with this section, shall be deposited in the fund. All payments in connection with the default of loans insured by the Commissioner under this part, or in connection with such guaranty agreements shall be paid from the fund. Moneys in the fund not needed for current operations under this section may be invested in bonds or other obligations guaranteed as to principal and interest by the United States.

(b) If at any time the moneys in the fund are insufficient to make payments in connection with the default of any loan insured by the Commissioner under this part, or in connection with any guaranty agreement made under section 428(c), the Commissioner is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Commissioner from such fund.

(20 U.S.C. 1081) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 431, 79 Stat. 1245; amended Aug. 3, 1968, P.L. 90–460, sec. 3, 82 Stat. 638.

LEGAL POWERS AND RESPONSIBILITIES

SEC. 432. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this part, the Commissioner may—

(1) prescribe such regulations as may be necessary to carry out the purposes of this part;

(2) sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this part without regard to the amount in contro-

versy, and action instituted under this subsection by or against the Commissioner shall survive notwithstanding any charge in the person occupying the office of Commissioner or any vacancy in that office; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Commissioner or property under his control, and nothing herein shall be construed to except litigation arising out of activities under this part from the application of sections 507(b) and 2679 of title 28 of the United States Code and of section 316 of Title 5.[1]

(3) include in any contract for Federal loan insurance such terms, conditions, and covenants relating to repayment of principal and payment of interest, relating to his obligations and rights and to those of eligible lenders, and borrowers in case of default, and relating to such other matters as the Commissioner determines to be necessary to assure that the purposes of this part will be achieved; and any term, condition, and covenant made pursuant to this clause or any other provisions of this part may be modified by the Commissioner if he determines that modification is necessary to protect the financial interest of the United States;

(4) subject to the specific limitations in this part, consent to the modification, with respect to rate of interest, time of payment of any installment of principal and interest or any portion thereof, or any other provision of any note or other instrument evidencing a loan which has been insured by him under this part;

(5) enforce, pay, or compromise, any claim on, or arising because of, any such insurance or any guarantee agreement under section 428(c); and

(6) enforce, pay, compromise, waive, or release any right, title, claim, lien, or demand, however acquired, including any equity or any right or redemption.

(b) The Commissioner shall, with respect to the financial operations arising by reason of this part—

(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act; and

(2) maintain with respect to insurance under this part an integral set of accounts, which shall be audited annually by the General Accounting Office in accordance with principles and procedures applicable to commercial corporate transactions, as provided by section 105 of the Government Corporation Control Act, except that the transactions of the Commissioner, including the settlement of insurance claims and of claims for payments pursuant to section 428, and transactions related thereto and vouchers approved by the Commissioner in connection with such transactions, shall be final and conclusive upon all accounting and other officers of the Government.

(20 U.S.C. 1082) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 432, 79 Stat. 1246; amended Aug. 3, 1968, P.L. 90-460, sec. 3, 82 Stat. 638.

---

[1] 228 U.S.C. 507(G) repealed and replaced by 28 U.S.C. 509 and 547. 5 U.S.C. 316 repealed and replaced by 28 USC 517, Sept 6, 1966, PL. 89-554, sec. 8a, 80 Stat. 633.

DIRECT LOANS

Sec. 433. (a) The Commissioner may make a direct loan to any student who would be eligible for an insured loan for study at a vocational school under this part if (1) in the particular area in which the student resides loans which are insurable under this Act are not available at the rate of interest prescribed by the Secretary pursuant to section 427(a)(2)(D) for such area, or (2) the particiular student has been unable to obtain an insured loan at a rate of interest which does not exceed such rate prescribed by the Secretary.

(b) Loans made under this section shall bear interest at the rate prescribed by the Secretary under section 427(a)(2)(D) for the area where the student resides, and shall be made on such other terms and conditions as the Commissioner shall prescribe, which shall conform as nearly as practicable to the terms and conditions of loans insured under this Act.

(c) There is authorized to be appropriated the sum of $1,000,000 for the fiscal year ending June 30, 1969 and for each of the succeeding fiscal years ending prior to July 1, 1975, to carry out this section.

(20 U.S.C. 1083) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 433, 79 Stat. 1247; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 116, 82 Stat. 1024; amended June 23, 1972; P.L. 92–318; sec. 132(c), 86 Stat. 261.

PARTICIPATION BY FEDERAL CREDIT UNIONS IN FEDERAL, STATE, AND PRIVATE STUDENT LOAN INSURANCE PROGRAMS

Sec. 434. Notwithstanding any other provision of law, Federal credit unions shall, pursuant to regulations of the Director of the Bureau of Federal Credit Unions, have power to make insured loans to student members in accordance with the provisions of this part relating to federally insured loans, or in accordance with the provisions of any State or nonprofit private student loan insurance program which meets the requirements of section 428(a)(1)(C).

(20 U.S.C. 1084) Enacted Nov. 8 1965, P.L. 89–329, Title IV, sec. 434, 79 Stat. 1247; amended Oct. 16, 1969, P.L. 90–575, Title I, sec. 116, 82 Stat. 1024; amended June 23, 1972, P.L. 92–318, sec. 132 D(e), 86 Stat. 264.

DEFINITIONS FOR REDUCED-INTEREST STUDENT LOAN INSURANCE PROGRAM

Sec. 435. As used in this part:

(a) The term "eligible institution" means (1) an institution of higher education, (2) a vocational school, or (3) with respect to students who are nationals of the United States, an institution outside the States which is comparable to an institution of higher education or to a vocational school and which has been approved by the Commissioner for purposes of this part.

(b) The term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose or, if not so accredited, (A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B) is an institution whose credits are accepted on transfer by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. Such term includes any public or other nonprofit collegiate or associate degree school of nursing and any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provisions of clauses (1), (2), (4), and (5). If the Commissioner determines that a particular category of such schools does not meet the requirements of clause (5) because there is no nationally recognized accrediting agency or association qualified to accredit schools in such category, he shall, pending the establishment of such an accrediting agency or association, appoint an advisory committee, composed of persons specially qualified to evaluate training provided by schools in such category, which shall (i) prescribe the standards of content, scope, and quality which must be met in order to qualify schools in such category to participate in the program pursuant to this part, and (ii) determine whether particular schools not meeting the requirements of clause (5) meet those standards. For purposes of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "vocational school" means a business or trade school, or technical institution or other technical or vocational school, in any State, which (1) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (2) is legally authorized to provide, and provides within that State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; (3) has been in existence for two years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subsection; and (4) is accredited (A) by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this clause, (B) if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit schools of a particular category, by a State agency listed by the Commissioner pursuant to this clause and (C) if the Commissioner determines there is no nationally recognized or State agency or association qualified to accredit schools of a particular category, by an advisory committee appointed by him and composed of persons specially qualified to evaluate training provided by schools of that category, which committee shall prescribe the standards of content, scope, and quality which must be met by those schools in order for loans to students attending them to be insurable under this part and shall also determine whether particular schools meet those standards. For the purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations and State agencies which he determines to be reliable authority as to the quality of education or training afforded.

(d) The term "collegiate school of nursing" means a department, division, or other administrative unit in a college or university which provides primarily or exclusively an accredited program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing.

(e) The term "associate degree school of nursing" means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively an accredited two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree.

(f) The term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education.

(g) The term "eligible lender" means an eligible institution, an agency or instrumentality of a State, or a financial or credit institution (including an insurance company) which is subject to examination and supervision by an agency of the United States or of any State, or a pension fund approved by the Commissioner for this purpose.

(h) The term "line of credit" means an arrangement or agreement between the lender and the borrower whereby a loan is paid out by the lender to the borrower in annual installments, or whereby the lender agrees to make, in addition to the initial loan, additional loans in subsequent years.

(20 U.S.C. 1085) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 435, 79 Stat. 1247; as amended Oct. 29, 1966, P.L. 89–698, Title II, sec. 204, 80 Stat. 1072; amended Oct. 16, 1968, P.L. 90–575, Title I, secs. 116, 118, 82 Stat. 1023–26.

DISTRICT OF COLUMBIA STUDENT LOAN INSURANCE PROGRAM

SEC. 436. (a) The Board of Commissioners of the District of Columbia is authorized (1) to establish a student loan insurance program which meets the requirements of this part for a State loan insurance program in order to enter into agreements with the Commissioner for the purposes of this title and such Act, (2) to enter into such agreements with the Commissioner, (3) to use amounts appropriated to such Board for the purposes of this section to establish a fund for such purposes and for expenses in connection therewith, and (4) to accept and use donations for the purposes of this section.

(b) Notwithstanding the provisions of any applicable law, if the borrower, on any loan insured under the program established pursuant to this section, is a minor, any otherwise valid note or other written agreement executed by him for the purposes of such loan shall create a binding obligation.

(c) There are authorized to be appropriated to such Board such amounts as may be necessary for the purposes of this section.

(20 U.S.C. 1086) Enacted Nov. 3, 1966, P.L. 89-752, sec. 12, 80 Stat. 1244; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 116, 82 Stat. 1024.

REPAYMENT BY THE COMMISSIONER OF LOANS OF DECEASED OR DISABLED BORROWERS

SEC. 437. If a student borrower who has received a loan described in clause (A), (B), or (C) of section 428(a)(1) dies or becomes permanently and totally disabled (as determined in accordance with regulations of the Commissioner), then the Commissioner shall discharge the borrower's liability on the loan by repaying the amount owed on the loan.

(20 U.S.C. 1087) Enacted Oct. 16, 1968, P.L. 90-575, Title I, sec. 113, 82 Stat. 1020; amended June 23, 1972, P.L. 92-318, sec. 132D, 86 Stat. 263.

ELIGIBILITY OF INSTITUTIONS

SEC. 438. (a) Notwithstanding any other provision of this part, the Commissioner is authorized to prescribe such regulations as may be necessary to provide for—

(1) a fiscal audit of an eligible institution with regard to any funds obtained from a student who has received a loan insured under this part, or insured by a State or nonprofit private institution or organization with which the Commissioner has an agreement under section 428(b);

(2) the establishment of reasonable standards of financial responsibility and appropriate institutional capability for the administration by an eligible institution of a program of student financial aid with respect to funds obtained from a student who has received a loan insured under this part, or insured by a State or nonprofit private institution or organization with which the Commissioner has an agreement under section 428(b);

(3) the limitation, suspension, or termination of the eligibility under this part of any otherwise eligible institution, whenever the Commissioner has determined, after notice and affording an opportunity for hearing, that such institution has violated or failed to carry out any regulation prescribed under this part.

(b) The Commissioner shall publish a list of State agencies which he determines to be reliable authority as to the quality of public postsecondary vocational education in their respective States for the purpose of determining eligibility for all Federal student assistance programs.

(20 U.S.C. 1087-1) Enacted June 23, 1972, P.L. 92-318, sec. 132E(a), 86 Stat. 264.

STUDENT LOAN MARKETING ASSOCIATION

SEC. 439. (a) The Congress hereby declared that it is the purpose of this section to establish a Government-sponsored private corporation which will be financed by private capital and which will serve as a secondary market and warehousing facility for insured student loans, insured by the Commissioner under this part or by a State or nonprofit private institution or organization with which the Commissioner has an agreement under section 428(b), and which will provide liquidity for student loan investments.

(b)(1) There is hereby created a body corporate to be known as the Student Loan Marketing Association (hereinafter referred to as the "Association"). The Association shall have succession until dissolved. It shall maintain its principal office in the District of Columbia and shall be deemed, for purposes of venue in civil actions, to be a resident thereof. Offices may be established by the Association in such other place or places as it may deem necessary or appropriate for the conduct of its business.

(2) The Association, including its franchise, capital, reserves, surplus, mortgages, or other security holdings, and income shall be exempt from all taxation now or hereafter imposed by any State, territory, possession, Commonwealth, or dependency of the United States, or by the District of Columbia, or by any county, municipality, or local taxing authority, except that any real property of the Association shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

(3) There is hereby authorized to be appropriated to the Secretary of Health, Education, and Welfare $5,000,000 for making advances for the purpose of helping to establish the Association. Such advances shall be repaid within such period as the Secretary may deem to be appropriate in light of the maturity and solvency of the Association. Such advances shall bear interest at a rate not less than (A) a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining period to maturity comparable to the maturity of such advances, adjusted to the nearest one-eighth of 1 per centum, plus (B) an allowance adequate in the judgment of the Secretary to cover administrative costs and probable losses. Repayments of such advances shall be deposited into miscellaneous receipts of the Treasury.

(c)(1) The Association shall have a Board of Directors which shall consist of twenty-one persons, one of whom shall be designated Chairman by the President.

(2) An interim Board of Directors shall be appointed by the President, one of whom he shall designate as interim Chairman. The interim Board shall consist of twenty-one members, seven of whom shall be representative of banks or other financial institutions which are insured lenders pursuant to this section, seven of whom shall be representative of educational institutions, and seven of whom shall be representative of the general public. The interim Board shall arrange for an initial offering of common and preferred stocks and take whatever other actions are necessary to proceed with the operations of the Association.

(3) When in the judgment of the President, sufficient common stock of the Association has been purchased by educational institutions and banks or other financial institutions, the holders of common stock which are educational institutions shall elect seven members of the Board of Directors and the holders of common stock which are banks or other financial institutions shall elect seven members of the Board

of Directors. The President shall appoint the remaining seven directors, who shall be representative of the general public.

(4) At the time the events described in paragraph (3) have occurred, the interim Board shall turn over the affairs of the Association to the regular Board so chosen or appointed.

(5) The directors appointed by the President shall serve at the pleasure of the President and until their successors have been appointed and have qualified. The remaining directors shall each be elected for a term ending on the date of the next annual meeting of the common stockholders of the Association, and shall serve until their successors have been elected and have qualified. Any appointive seat on the Board which becomes vacant shall be filled by appointment of the President. Any elective seat on the Board which becomes vacant after the annual election of the directors shall be filled by the Board, but only for the unexpired portion of the term.

(6) The Board of Directors shall meet at the call of its Chairman, but at least semiannually. The Board shall determine the general policies which shall govern the operations of the Association. The Chairman of the Board shall, with the approval of the Board, select, appoint, and compensate qualified persons to fill the offices as may be provided for in the bylaws, with such executive functions, powers, and duties as may be prescribed by the bylaws or by the Board of Directors, and such persons shall be the executive officers of the Association and shall discharge all such executive functions, powers, and duties.

(d)(1) The Association is authorized, subject to the provisions of this section, pursuant to commitments or otherwise, to make advances on the security of, purchase, service, sell, or otherwise deal in, at prices and on terms and conditions determined by the Association, student loans which are insured by the Commissioner under this part or by a State or nonprofit private institution or organization with which the Commissioner has an agreement under section 428(b).

(2) Any warehousing advance made under paragraph (1) of this subsection shall not exceed 80 per centum of the face amount on an insured loan. The proceeds from any such advance shall be invested in additional insured student loans.

(e) The Association, pursuant to such criteria as the Board of Directors may prescribe, shall make advances on security or purchase student loans pursuant to subsection (d) only after the Association is assured that the lender (A) does not discriminate by pattern or practice against any particular class or category of students by requiring that, as a condition to the receipt of a loan, the student or his family maintain a business relationship with the lender, except that this clause shall not apply in the case of a loan made by a credit union, savings and loan association, mutual savings bank, institution of higher education or any other lender with less than $50,000,000 in deposits, and (B) does not discriminate on the basis of race, sex, color, creed, or national origin.

(f)(1) The Association shall have common stock [illegible]ing a par value of $100 per share which may be issued only to lenders under this part, pertaining to guaranteed student loans, who are qualified as insured lenders under this part or who are eligible institutions as defined in section 435(a) (other than an institution outside the United States).

(2) Each share of common stock shall be entitled to one vote with rights of cumulative voting at all elections of directors. Voting shall be by classes as described in subsection (c)(3).

(3) The common stock of the Association shall be transferable only as may be prescribed by regulations of the Secretary of Health, Education, and Welfare, and, as to the Association, only on the books of the Association. The Secretary of Health, Education, and Welfare shall prescribe the maximum number of shares of common stock the Association may issue and have outstanding at any one time.

(4) To the extent that net income is earned and realized, subject to subsection (g)(2), dividends may be declared on common stock by the Board of Directors. Such dividends as may be declared by the Board shall be paid to the holders of outstanding shares of common stock, except that no such dividends shall be payable with respect to any share which has been called for redemption past the effective date of such call.

(g)(1) The Association is authorized, with the approval of the Secretary of Health, Education, and Welfare, to issue nonvoting preferred stock with a par value of $100 per share. Any preferred share issued shall be freely transferable, except that, as to the Association, it shall be transferred only on the books of the Association.

(2) The holders of the preferred shares shall be entitled to such rate of cumulative dividends and such shares shall be subject to such redemption or other conversion provisions, as may be provided for at the time of issuance. No dividends shall be payable on any share of common stock at any time when any dividend is due on any share of preferred stock and has not been paid.

(3) In the event of any liquidation, dissolution, or winding up of the Association's business, the holders of the preferred shares shall be paid in full at par value thereof, plus all accrued dividends, before the holders of the common shares receive any payment.

(h)(1) The Association is authorized with the approval of the Secretary of Health, Education, and Welfare and the Secretary of the Treasury to issue and have outstanding obligations having such maturities and bearing such rate or rates of interest as may be determined by the Association. Such obligations may be redeemable at the option of the Association before maturity in such manner as may be stipulated therein.

(2) The Secretary of Health, Education, and Welfare is authorized, prior to July 1, 1982, to guarantee payment when due of principal and interest on obligations issued by the Association in an aggregate amount determined by the Secretary in consultation with the Secretary of the Treasury.

(3) To enable the Secretary of Health, Education, and Welfare to discharge his responsibilities under guarantees issued by him, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of Health, Education, and Welfare with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstand-

ing marketable obligations of the United States of comparable maturities during the months preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. There is authorized to be appropriated to the Secretary of Health, Education, and Welfare such sums as may be necessary to pay the principal and interest on the notes or obligations issued by him to the Secretary of the Treasury.

(i) The Association shall have power—

(1) to sue and be sued, complain and defend, in its corporate name and through its own counsel;

(2) to adopt, alter, and use the corporate seal, which shall be judicially noticed;

(3) to adopt, amend, and repeal by its Board of Directors, bylaws, rules, and regulations as may be necessary for the conduct of its business;

(4) to conduct its business, carry on its operations, and have officers and exercise the power granted by this section in any State without regard to any qualification or similar statute in any State;

(5) to lease, purchase, or otherwise acquire, own, hold, improve, use, or otherwise deal in and with any property, real, personal, or mixed, or any interest therein, wherever situated;

(6) to accept gifts or donations of services, or of property, real, personal, or mixed, tangible or intangible, in aid of any of the purposes of the Association;

(7) to sell, convey, mortgage, pledge, lease, exchange, and otherwise dispose of its property and assets;

(8) to appoint such officers, attorneys, employees, and agents as may be required, to determine their qualifications, to define their duties, to fix their salaries, require bonds for them and fix the penalty thereof; and

(9) to enter into contracts, to execute instruments, to incur liabilities, and to do all things as are necessary or incidental to the proper management of its affairs and the proper conduct of its business.

(j) The accounts of the Association shall be audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants or by independent licensed public accountants, licensed on or before December 31, 1970, who are certified or licensed by a regulatory authority of a State or other political subdivision of the United States, except that independent public accountants licensed to practice by such regulatory authority after December 31, 1970, and persons who, although not so certified or licensed, meet, in the opinion of the Secretary, standards of education and experience representative of the highest standards prescribed by the licensing authorities of the several States which provide for the continuing licensing of public accountants and which are prescribed by the Secretary in appropriate regulations may perform such audits until December 31, 1975. A report of each such audit shall be furnished to the Secretary of the Treasury. The audit shall be conducted at the place or places where the accounts are normally kept. The representatives of the Secretary shall have access to all books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Association and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositaries, fiscal agents, and custodians.

(k) A report of each such audit for a fiscal year shall be made by the Secretary of the Treasury to the President and to the Congress not later than six months following the close of such fiscal year. The report shall set forth the scope of the audit and shall include a statement (showing intercorporate relations) of assets and liabilities, capital and surplus or deficit; a statement of surplus or deficit analysis; a statement of income and expense; a statement of sources and application of funds; and such comments and information as may be deemed necessary to keep the President and the Congress informed of the operations and financial condition of the Association, together with such recommendations with respect thereto as the Secretary may deem advisable, including a report of any impairment of capital or lack of sufficient capital noted in the audit. A copy of each report shall be furnished to the Secretary of Health, Education, and Welfare and to the Association.

(l) All obligations issued by the Association shall be lawful investments, and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under authority or control of the United States or of any officer or officers thereof. All stock and obligations issued by the Association pursuant to this section shall be deemed to be exempt securities within the meaning of laws administered by the Securities and Exchange Commission, to the same extent as securities which are direct obligations of, or obligations guaranteed as to principal or interest by, the United States. The Association shall, for the purposes of section 14(b)(2) of the Federal Reserve Act, be deemed to be an agency of the United States.

(m) In order to furnish obligations for delivery by the Association, the Secretary of the Treasury is authorized to prepare such obligations in such form as the Board of Directors may approve, such obligations when prepared to be held in the Treasury subject to delivery upon order by the Association. The engraved plates, dies, bed pieces, and so forth, executed in connection therewith shall remain in the custody of the Secretary of the Treasury. The Association shall reimburse the Secretary of the Treasury for any expenditures made in the preparation, custody, and delivery of such obligations.

(n) The Association shall, as soon as practicable after the end of each fiscal year, transmit to the President and the Congress a report of its operations and activities during each year.

(20 U.S.C. 1087-2) Enacted June 23, 1972, P.L. 92-318, sec. 133(a), 86 Stat. 265, 269.

PART C—WORK-STUDY PROGRAMS

STATEMENT OF PURPOSE; APPROPRIATIONS AUTHORIZED

SEC. 441. (a) The purpose of this part is to stimulate and promote the part-time employment of students, particularly students with great financial need in eligible institutions who are in need of the earnings from such employment to pursue courses of study at such institutions.

(b) There are authorized to be appropriated $225,000,000 for the fiscal year ending June 30, 1969, $275,000,000 for the fiscal year ending June 30, 1970, $320,000,000 for the fiscal year ending June 30, 1971, $330,000,000 for the fiscal year ending June 30, 1972, $360,000,000 for the fiscal year ending June 30, 1973, $390,000,000 for the fiscal year ending June 30, 1974, and $420,000,000 for the fiscal year ending June 30, 1975.

(42 U.S.C. 2751) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 121, 78 Stat. 515; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 441(2), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 132, 133, 82 Stat. 1028–1029; amended Oct. 22, 1969, P.L. 91–95, sec. 5, 83 Stat. 143; amended June 23, 1972, P.L. 92–318, sec. 135 and sec. 135A, 86 Stat. 270.

ALLOTMENTS TO STATES

SEC. 442. (a) From the sums appropriated to carry out this part for a fiscal year, the Commissioner shall (1) allot not to exceed 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part, and (2) reserve the amount provided by subsection (e). Ninety per centum of the remainder of such sums shall be allotted among the States as provided in subsection (b).

(b) Of the sums being allotted under this subsection—

(1) one-third shall be allotted by the Commissioner among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all the States,

(2) one-third shall be allotted by the Commissioner among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of high school graduates (as defined in section 103(d)(3) of the Higher Education Facilities Act of 1963) of such State bears to the total number of such high school graduates of all the States, and

(3) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in such State bears to the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in all the States.

(c) Sums remaining after making the allotments provided for in other provisions of this section shall be allotted among the States by the Commissioner in accordance with equitable criteria established by him which shall be designed to achieve a distribution of the sums appropriated to carry out this part among the States which will most effectively carry out the purpose of this part, except that where a State's allotment under subsection (b) for a fiscal year is less than its allotment under that subsection for the fiscal year ending June 30, 1972, before he makes any other allotments under this subsection, the Commissioner shall allot sufficient additional sums to such State under this sentence to make the State's allotment for that year under subsection (b) equal to its allotment under such subsection for the fiscal year ending June 30, 1972. Sums allotted to a State under this subsection shall be consolidated with, and become a part of, its allotment from the same appropriation under subsection (b).

(d) The amount of any State's allotment which has not been granted to an eligible institution under section 443 at the end of the fiscal year for which appropriated shall be reallotted by the Commissioner in such manner as he determines will best assist in achieving the purposes of this Act. Amounts reallotted under this subsection shall be available for making grants under section 443 until the close of the fiscal year next succeeding the fiscal year for which appropriated.

(e) For purposes of this section, the term "State" does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

(f) From the appropriation for this part for each fiscal year the Commissioner shall reserve an amount to provide work-study assistance to students who reside in, but who attend eligible institutions outside of, American Samoa or the Trust Territory of the Pacific Islands. The amount so reserved shall be allotted to eligible institutions and shall be available only for the purpose of providing work-study assistance to such students.

(42 U.S.C. 2752) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 122, 78 Stat. 514; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 441(1), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 135, 82 Stat. 1028–1029; amended June 23, 1972, P.L. 92–318, sec. 135B, 86 Stat. 270, 271.

GRANTS FOR WORK-STUDY PROGRAMS

SEC. 443. (a) The Commissioner is authorized to enter into agreements with eligible institutions under which the Commissioner will make grants to such institutions to assist in the operation of work-study programs as hereinafter provided.

(b) For the purposes of this part the term "eligible institution" means an institution of higher education (as defined in section 435(b) of this Act), an area vocational school (as defined in section 8(2) of the Vocational Education Act of 1963), or a proprietary institution of higher education (as defined in section 461(b) of this Act).

(42 U.S.C. 2753) Enacted Aug. 20, 1964; P.L. 88–452, Title I, sec. 123, 78 Stat. 514; amended Nov. 8, 1965, P.L. 89–329; Title IV, sec. 441(3), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, secs. 131, 133, 139, 82 Stat. 1028–1030.

CONDITIONS OF AGREEMENTS

SEC. 444. (a) An agreement entered into pursuant to section 443 shall—

(1) provide for the operation by the institution of a program for the part-time employment of its students in work for the institution itself (except in the case of a proprietary institution of higher education) or work in the public interest for a public or private nonprofit organization under an arrangement between the institution and such organization, and such work—

(A) will not result in the displacement of employed workers or impair existing contracts for services,

(B) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as type of work performed, geographical region, and proficiency of the employee, and

(C) does not involve the construction, operation, or maintenance of so much of any facility as is used or is to be used for sectarian instruction or as a place for religious worship;

(2) provide that funds granted an institution of higher education, pursuant to section 443 may be used only to make payments to students participating in work-study programs, except that an institution may use a portion of the sums granted to it to meet administrative expenses in accordance with section 463 of this Act;

(3) provide that in the selection of students for employment under such work-study program preference shall be given to students with the greatest financial need, taking into account grant assistance provided such student from any public or private sources, and that employment under such work-study program shall be furnished only to a student who (A) is in need of the earnings from such employment in order to pursue a course of study at such institution (taking into consideration the actual cost of attendance at such institution), (B) shows evidence of academic or creative promise and capability of maintaining good standing in such course of study while employed under the program covered by the agreement, and (C) has been accepted for enrollment as a student at the institution on at least a half-time basis or, in the case of a student already enrolled in and attending the institution, is in good standing and in attendance there on at least a half-time basis either as an undergraduate, graduate, or professional student;

(4) (Vacant).

(5) provide that the institution will meet the requirements of section 491 of this Act (relating to maintenance of effort);

(6) provide that the Federal share of the compensation of students employed in the work-study program in accordance with the agreement will not exceed 80 per centum of such compensation; except that the Federal share may exceed 80 per centum of such compensation if the Commissioner determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part;

(7) include provisions designed to make employment under such work-study program, or equivalent employment offered or arranged for by the institution, reasonably available (to the ex-

tent of available funds) to all eligible students in the institution in need thereof; and

(8) include such other provisions as the Commissioner shall deem necessary or appropriate to carry out the purposes of this part.

(b) An agreement entered into pursuant to section 443 with an area vocational school shall contain, in addition to the provisions described in subsection (a) of this section, a provision that a student in such a school shall be eligible to participate in a program under this part only if he (1) has a certificate of graduation from a school providing secondary education or the recognized equivalent of such a certificate, and (2) is pursuing a program of education or training which requires at least six months to complete and is designed to prepare the student for gainful employment in a recognized occupation.

(c) For purposes of paragraph (4) of subsection (a) of this section, in computing average hours of employment of a student over a semester or other term, there shall be excluded any period during which the student is on vacation and any period of nonregular enrollment. Employment under a work-study program during any such period of nonregular enrollment during which classes in which the student is enrolled are in session shall be only to the extent and in accordance with criteria established by or pursuant to regulations of the Commissioner.

(42 U.S.C. 2754) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 124, 78 Stat. 514; amended Oct. 9, 1965, P.L. 89–253, sec. 10, 79 Stat. 974; amended Nov. 8, 1965; P.L. 89–329, Title IV, sec. 441 (1), (4), (5), 79 Stat. 1249, 1250; amended Sept. 6, 1967, P.L. 90–82, secs. 1, 2, 81 Stat. 194; amended Oct. 16, 1968, P.L. 90–575, Title I, secs. 131, 133, 134, 136, 137, 138, 139, 82 Stat. 1028–1030; amended and clause (4) repealed June 23, 1972, P.L. 92–318, secs. 135D, 135E, 86 Stat. 271.

SOURCES OF MATCHING FUNDS

SEC. 445. Nothing in this part shall be construed as restricting the source (other than this part) from which the institution may pay its share of the compensation of a student employed under a work-study program covered by an agreement under this part, and such share may be paid to such student in the form of services and equipment (including tuition, room, board, and books) furnished by such institution.

(42 U.S.C. 2755) Enacted Aug 20, 1964, P.L. 88–452, Title I, sec. 125, 78 Stat. 516; amended Nov. 8, 1966, P.L. 89–329; Title IV, sec. 441(6), 79 Stat. 1250; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 82 Stat. 1028.

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 446. The Commissioner shall establish criteria designed to achieve such distribution of assistance under this part among institutions of higher education within a State as will most effectively carry out the purposes of this Act.

(42 U.S.C. 2756) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 126, 78 Stat. 516; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 441(1), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 82 Stat. 1028.

WORK-STUDY FOR COMMUNITY SERVICE LEARNING PROGRAM

SEC. 447. (a) The purpose of this section is to enable students in eligible institutions who are in need of additional financial support to attend institutions of higher education, with preference given to veterans who served in the Armed Forces in Indochina or Korea after August 5, 1964, to obtain earnings from employment which offers the maximum potential both for effective service to the community and for enhancement of the educational development of such students.

(b) There are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1972, and $50,000,000 each succeeding fiscal year ending prior to July 1, 1975, to carry out this section through local project grants, without regard to the provisions of section 442.

(c) The Commissioner is authorized to enter into agreements with public or private nonprofit agencies under which the Commissioner will make grants to such agencies to pay the compensation of students who are employed by such agencies in jobs providing needed community services and which are of educational value.

(d) An agreement entered into under subsection (c) above shall—

(1) provide for the part-time employment of college students in projects designed to improve community services or solve particular problems in the community;

(2) provide assurances that preference will be given to veterans who served in the Armed Forces in Indochina or Korea after August 5, 1964, in recruiting students to eligible institutions for jobs under this section, and that the agency, in cooperation with the institution of higher education which the student attends, will make an effort to relate the projects performed by students to their general academic program and to a comprehensive program for college student services to the community;

(3) conform with the provisions of clauses (1)(A), (1)(B) and (1)(C) of section 444(a), and provides for the selection of students who meet the requirements of clauses (3)(A), (3)(B) and (3)(C) of section 444(a); and

(4) include such other provisions as the Commissioner shall deem necessary or appropriate to carry out the purposes of this section, including provisions for oversight by the institution of higher education which the student participating in such a program attends.

(e) For purposes of this section, the term "community service" includes, but is not limited to, work in such fields as environmental quality, health care, education, welfare, public safety, crime prevention and control, transportation, recreation, housing, and neighborhood improvement, rural development, conservation, beautification, and other fields of human betterment and community improvement.

(42 U.S.C. 2756a) Enacted June 23, 1972, P.L. 92–318, sec. 135F, 86 Stat. 271, 272.

PART D—COOPERATIVE EDUCATION PROGRAM

APPROPRIATIONS AUTHORIZED

SEC. 451. (a) There are authorized to be appropriated $340,000 for the fiscal year ending June 30, 1969, $8,000,000 for the fiscal year ending June 30, 1970, and $10,000,000 for each of the succeeding fiscal years ending prior to July 1, 1975, to enable the Commissioner to make grants pursuant to section 452 to institutions of higher education for the planning, establishment, expansion, or carrying out by such institutions of programs of cooperative education that alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn through employment funds required toward continuing and completing their education but will, so far as practicable, give them work experience related to their academic or occupational objective. Such amounts for the fiscal year ending June 30, 1969, shall also be available for planning and related activities for the purpose of this title.

(b) There are further authorized to be appropriated $750,000 for the fiscal year ending June 30, 1969, and for each of the succeeding fiscal years ending prior to July 1, 1975, to enable the Commissioner to make training, demonstration, or research grants or contracts pursuant to section 453.

(c) Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

(20 U.S.C. 1087a) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 141, 82 Stat. 1030; amended June 23, 1972, P.L. 92–318, sec. 136, 86 Stat. 272.

GRANTS FOR PROGRAMS OF COOPERATIVE EDUCATION

SEC. 452. (a) From the sums appropriated pursuant to subsection (a) of section 451, and for the purposes set forth therein, the Commissioner is authorized to make grants to institutions of higher education that have applied therefor in acordance with subsection (b) of this section, in amounts not in excess of $75,000 to any one such institution for any fiscal year.

(b) Each application for a grant authorized by subsection (a) of this section shall be filed with the Commissioner at such time or times as he may prescribe and shall—

(1) set forth programs or activities for which a grant is authorized under this section;

(2) provide that the applicant will expend during such fiscal year for the purpose of such program or activity not less than was expended for such purpose during the previous fiscal year;

(3) provide for the making of such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this part, and for the keeping of such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

(4) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part; and

(5) include such other information as the Commissioner may determine necessary to carry out the purposes of this part.

(c) No institution of higher education may receive grants under this section for more than three fiscal years.

(d) In the development of criteria for approval of applications under this section, the Commissioner shall consult with the Advisory Council on Financial Aid to Students.

(20 U.S.C. 1087b) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 141, 82 Stat. 1030.

GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH

SEC. 453. From the sums appropriated pursuant to subsection (b) of section 451, the Commissioner is authorized, for the training of persons in the planning, establishments, administration, or coordination of programs of cooperative education, for projects demonstrating or exploring the feasibility or value of innovative methods of cooperative education, or for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education, to—

(1) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

(2) make grants to other public or private nonprofit agencies or organizations, or contracts with public or private agencies or organizations, when such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

(20 U.S.C. 1087c) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 141, 82 Stat. 1030; amended June 23, 1972, P.L. 92–318, sec. 136(b)(2), 86 Stat. 272.

PART E—DIRECT LOANS TO STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION[1]

APPROPRIATIONS AUTHORIZED

SEC. 461. (a) The Commissioner shall carry out a program of stimulating and assisting in the establishment and maintenance of funds at institutions of higher education for the making of low-interest loans to students in need thereof to pursue their courses of study in such institutions.

(b)(1) For the purpose of enabling the Commissioner to make contributions to student loan funds established under this part, there are hereby authorized to be appropriated $375,000,000 for the fiscal year ending June 30, 1972, and $400,000,000 for the fiscal year ending June 30, 1973, and for each of the succeeding fiscal years ending prior to July 1, 1975.

(2) In addition there are hereby authorized to be appropriated such sums for the fiscal year ending June 30, 1976, and each of the three succeeding fiscal years as may be necessary to enable students who have received loans for academic years ending prior to July 1, 1975, to continue or complete courses of study.

(c) Any sums appropriated pursuant to subsection (b) for any fiscal year shall be available for apportionment pursuant to section 462 and for payments of Federal capital contributions therefrom to institutions of higher education which have agreements with the Commissioner under section 463. Such Federal capital contributions and all contributions from such institutions shall be used for the establishment, expansion, and maintenance of student loan funds.

(20 U.S.C. 1087aa) Enacted June 23, 1972, P.L. 92–318, sec. 137(b), 86 Stat. 273.

(NOTE: Secs. 137 (c) and (d) of P.L. 92–318 provide as follows:)

(c) In the case of a loan made before July 1, 1972, under title II of the National Defense Education Act of 1958 not to exceed 50 per centum of such loan

---

[1] Part E continues the authority formerly contained in Title II of the NDEA.

(1) shall be canceled for service by the borrower as a full-time teacher in a public or other nonprofit elementary or secondary school in a State, in an institution of higher education, or in an elementary or secondary school overseas of the Armed Forces of the United States at the rate of 10 per centum of the total amount of such loan for each complete academic year of such service, except that (A) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, as amended, and which for purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located to be a school in which there is a high concentration of students from low-income families, except that (unless all of the schools so determined are schools in which the enrollment of children described in clause (A), (B), or (C) of section 103(a)(2) of such title (using a low-income factor of $3,000) exceeds 50 per centum of the total enrollment of the school) the Commissioner shall not make such determination with respect to more than 25 per centum of the total of the public and other nonprofit elementary and secondary schools in any one State for any one year, (B) such rate shall be 15 per centum for each complete academic year of service as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system, and (C) for the purpose of any cancellation pursuant to clause (A) or (B), an additional 50 per centum of any such loan may be cancelled, and (2) shall be cancelled for service by the borrower after June 30, 1970, as a member of the Armed Forces of the United States at the rate of 12½ per centum of the total amount of such loan for each year of consecutive service, but only if such loan was made after April 13, 1970.

(d)(1) Upon enactment of this Act, the program authorized by part E of title IV of the Higher Education Act of 1965, as added by subsection (b) is, and shall be deemed to be, a continuation of the program authorized by title II of the National Defense Education Act of 1958. In accordance with regulations of the Commissioner, except as provided in subsection (c), all rights, privileges, duties, functions, and obligations under such title II prior to the enactment of this Act shall be deemed to be vested, as the Commissioner determines to be appropriate, under such part E. Any student loan fund established under an agreement under such title II shall, in accordance with regulations, be deemed to have been established under such part E, and any assets of such student loan fund of any institution shall be deemed to be the assets of a student loan fund established under an agreement of that institution with the Commissioner under such part E.

APPORTIONMENT OF APPROPRIATIONS

SEC. 462. (a)(1) From 90 per centum of the sums appropriated pursuant to section 461(b)(1) for any fiscal year, the Commissioner shall apportion to each State an amount which bears the same ratio to the amount so appropriated as the number of persons enrolled on a full-time basis in institutions of higher education, as determined by the Commissioner for the most recent year for which satisfactory data are available to him, in such State, bears to the total number of persons so enrolled in all the States. The remainder of the sums so appropriated shall be apportioned among the States by the Commissioner in accordance with equitable criteria which he shall establish and which shall be designed to achieve a distribution of the sums so appropriated among the States which will most effectively carry out the purpose of this part, except that where any State's apportionment under the first sentence for a fiscal year is less than its allotment under section 202(a) of the National Defense Education Act of 1958 for the fiscal year ending June 30, 1972, before he makes any other apportionments under this sentence, the Commissioner shall apportion sufficient additional sums to such State under this sentence to make the State's apportionment for that year under this paragraph equal to its allotment for the fiscal year ending June 30, 1972, under such section 202(a). Sums apportioned to a State under the preceding sentence shall be consolidated with, and become a part of, its apportionment from the same appropriation under the first sentence of this paragraph.

(2) Any sums appropriated pursuant to section 461(b)(2) for any fiscal year shall be apportioned among institutions of higher education in such a manner as the Commissioner determines will best accomplish the purpose for which they were appropriated.

(b)(1) Any institution of higher education desiring to receive payments of Federal capital contributions from the apportionment of the State in which it is located for any fiscal year shall make an agreement under section 463 and shall submit an application therefor to the Commissioner, in accordance with the provisions of this part. The Commissioner shall, from time to time, set dates before which such institutions must file applications under this section.

(2) The Commissioner shall pay to each applicant under this subsection which has an agreement with him under section 463, from the amount apportioned to the State in which it is located, the amount requested in such application. Such payment may be made in such installments as the Commissioner determines will not result in unnecessary accumulations of capital in the student loan fund of the applicant established under its agreements under section 463.

(c)(1)(A) If the total amount of Federal capital contributions requested in the applications from a State for any fiscal year exceeds the amount apportioned to that State, the request from each institution shall be reduced ratably.

(B) In case additional amounts become available for payments to student loan funds in a State in which requests have been ratably reduced under subparagraph (A), such requests shall be increased on the same basis as they were reduced, except that no request shall be increased above the request submitted under subsection (b)(1).

(2) If the amount of an apportionment to a State for any fiscal year exceeds the total amount of Federal capital contributions requested in applications from that State, such excess shall be available for reapportionment from time to time on such date or dates as the Commissioner shall fix. From the aggregate of such excess for any fiscal year, the Commissioner shall reapportion to each State in which requests were reduced under subparagraph (A) of paragraph (1) an amount which bears the same ratio to such aggregate as the total amount of such reduction in that State bears to the total amount of such reductions in all the States.

(d) The aggregate of the amounts of Federal capital contributions paid under this section for any fiscal year to proprietary institutions of higher education may not exceed the amount by which the sums appropriated pursuant to section 461(b)(1) for that fiscal year exceed $190,000,000.

(20 U.S.C. 1087bb) Enacted June 23, 1972, P.L. 92–318, sec. 137(b), 86 Stat. 273, 274.

AGREEMENTS WITH INSTITUTIONS OF HIGHER EDUCATION

SEC. 463. (a) An agreement with any institution of higher education for the payment of Federal capital contributions under this part shall—

(1) provide for the establishment and maintenance of a student loan fund for the purposes of this part;

(2) provide for the deposit in such fund of—

(A) the Federal capital contributions,

(B) a capital contribution by such institution in an amount equal to not less than one-ninth of the amount of such Federal contributions,

(C) collections of principal and interest on student loans made from such fund,

(D) charges collected pursuant to regulations under section 464(c)(1)(G), and

(E) any other earnings of the funds;

(3) provide that such student loan fund shall be used only for—

(A) loans to students, in accordance with the provisions of this part,

(B) administrative expenses, as provided in subsection (b),

(C) capital distributions, as provided in section 466, and

(D) costs of litigation, and other collection costs agreed to by the Commissioner in connection with the collection of a loan from the fund (and interest thereon) or a charge assessed pursuant to regulations under section 464(c)(1)(G);

(4) provide that where a note or written agreement evidencing a loan has been in default for at least 2 years despite due diligence on the part of the institution in making collection thereon, the institution may assign its rights under such note or agreement to the United States, without recompense, and that in that event any sums collected on such a loan shall be deposited in the general fund of the Treasury; and

(5) include such other provisions as may be necessary to protect the financial interest of the United States and promote the purposes of this part as are agreed to by the Commissioner and the institution.

(b) An institution which has entered into an agreement under subsection (a) shall be entitled, for each fiscal year during which it makes student loans from a student loan fund established under such agreement, to a payment in lieu of reimbursement for its expenses in administering its student loan program under this part during such year. Such payment shall be made in accordance with section 493.

(20 U.S.C. 1087cc) Enacted June 23, 1972, P.L. 92–318, sec. 137(b), 86 Stat. 274, 275.

TERMS OF LOANS

SEC. 464. (a)(1) Loans from any student loan fund established pursuant to an agreement under section 463 to any student by any institution shall, subject to such conditions, limitations, and requirements as the Commissioner shall prescribe by regulation, be made on such terms and conditions as the institution may determine.

(2) The aggregate of the loans for all years made by institutions of higher education from loan funds established pursuant to agreements under this part may not exceed—

(A) $10,000 in the case of any graduate or professional student (as defined by regulations of the Commissioner, and including any loans from such funds made to such person before he became a graduate or professional student);

(B) $5,000 in the case of a student who has successfully completed two years of a program of education leading to a bachelor's degree, but who has not completed the work necessary for such a degree (determined under regulations of the Commissioner, and including any loans from such funds made to such person before he became such a student); and

(C) $2,500 in the case of any other student.

(3) Regulations of the Commissioner under paragraph (1) shall be designed to prevent the impairment of the capital of student loan funds to the maximum extent practicable and with a view toward the objective of enabling the student to complete his course of study.

(b) A loan from a student loan fund assisted under this part may be made only to a student who—

(1) is in need of the amount of the loan to pursue a course of study at such institution;

(2) is capable, in the opinion of the institution, of maintaining good standing in such course of study;

(3) has been accepted for enrollment as an undergraduate, graduate, or professional student in such institution, or, in the case of a student already in attendance at such institution, is in good standing; and

(4) is carrying at least one-half the normal academic workload, as determined by the institution.

In any case in which a student has been determined to be eligible for a loan under the preceding sentence, and such student thereafter fails to maintain good standing, the eligibility of such student shall, upon notice to the Commissioner, be suspended, and further payments to, or on behalf of, such student shall not be made until such student regains good standing.

(c)(1) Any agreement between an institution and a student for a loan from a student loan fund assisted under this part—

(A) shall be evidenced by note or other written instrument which, except as provided in paragraph (2), provides for repayment of the principal amount of the loan, together with interest thereon, in equal installments (or, if the borrower so requests, in graduated periodic installments determined in accordance with such schedules as may be approved by the Commissioner) payable quarterly, bimonthly, or monthly, at the option of the institution, over a period beginning nine months after the date on which the student ceases to carry, at an institution of higher education or a comparable institution outside the United States approved for this purpose by the Commissioner, at least one-half the normal full-time academic workload, and ending ten years and nine months after such date;

(B) shall include provision for acceleration of repayment of the whole, or any part, of such loan, at the option of the borrower;

(C) may provide, at the option of the institution in accordance with regulations of the Commissioner, that during the repayment period of the loan, payments of principal and interest by the borrower with respect to all outstanding loans made to him from student loan fund assisted under this part shall be at a rate equal to not less than $30 per month;

(D) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at the rate of 3 per centum per annum, except that no interest shall accrue (i) prior to the beginning date of repayment determined under clause (A) (i) or (ii) during any period in which repayment is suspended by reason of paragraph (2);

(E) unless the borrower is a minor and the note or other evidence of obligation executed by him would not, under applicable law, create a binding obligation, shall provide that the loan shall be made without security and without endorsement;

(F) shall provide that no note or evidence of obligation may be assigned by the lender, except upon the transfer of the borrower to another institution participating under this part (or, if not so participating, is eligible to do so and is approved by the Commissioner for such purpose), to such institution; and

(G) may, pursuant to regulations of the Commissioner, provide for an assessment of a charge with respect to the loan for failure of the borrower (i) to pay all or part of an installment when it is due or (ii) to file timely and satisfactory evidence of an entitlement of the borrower to a deferment of repayment benefit or a cancellation benefit provided under this part.

(2) (A) No repayment of principal of, or interest on, any loan from a student loan fund assisted under this part shall be required during any period in which the borrower—

(i) is carrying at least one-half the normal full-time academic workload at an institution of higher education or at a comparable institution outside the United States which is approved for this purpose by the Commissioner;

(ii) is a member of the Armed Forces of the United States;

(iii) is in service as a volunteer under the Peace Corps Act; or

(iv) is in service as a volunteer under title VIII of the Economic Opportunity Act of 1964.

The period during which repayment may be deferred by reason of clause (ii), (iii) or (iv) shall not exceed three years.

(B) Any period during which repayment is deferred under subparagraph (A) shall not be included in computing the ten-year maximum period provided for in clause (A) of paragraph (1).

(3) The Commissioner is authorized, when good cause is shown, to extend, in accordance with regulations, the ten-year maximum repayment period provided for in clause (A) of paragraph (1) with respect to individual loans.

(4) The amount of any charge under clause (G) of paragraph (1) shall not exceed—

(A) in the case of a loan which is repayable in monthly installments, $1 for the first month or part of a month by which such installment or evidence is late and $2 for each such month or part of a month thereafter; and

(B) in the case of a loan which has a bimonthly or quarterly repayment interval, $3 and $6, respectively, for each such interval or part thereof by which such installment or evidence is late.

The institution may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the institution not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(d) An agreement under this part of payment of Federal capital contributions shall include provisions designed to make loans from the student loan fund established pursuant to such agreement reasonably available (to the extent of the available funds in such fund) to all eligible students in such institutions in need thereof.

(e) In determining, for purposes of clause (1) of subsection (b) of this section, whether a student who is a veteran (as that term is defined in section 101(2) of title 38, United States Code) is in need, an institution shall not take into account the income and assets of his parents.

(20 U.S.C. 1087dd) Enacted June 23, 1972, P.L. 92-318, sec. 137(b), 86 Stat. 275, 277.

CANCELLATION OF LOANS FOR CERTAIN PUBLIC SERVICE

SEC. 465. (a)(1) The per centum specified in paragraph (3) of this subsection of the total amount of any loan made after June 30, 1972, from a student loan fund assisted under this part shall be canceled for each complete year of service after such date by the borrower under circumstances described in paragraph (2).

(2) Loans shall be canceled under paragraph (1) for service—

(A) as a full-time teacher for service in an academic year in a public or other nonprofit private elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title I of the Elementary and Secondary Education Act of 1965, and which for the purposes of this paragraph and for that year has been determined by the Commissioner (pursuant to regulations and after consultation with the State educational agency of the State in which the school is located) to be a school in which the enrollment of children described in clause (A), (B), or (C) of section 103(a)(2) of title I of the Elementary and Secondary Education Act of 1965 (using a low-income factor of $3,000) exceeds 30 per centum of the total enrollment of that school and such determination shall not be made with respect to more than 50 per centum of the total number of schools in the State receiving assistance under such title I;

(B) as a full-time staff member in a preschool program carried on under section 222(a)(1) of the Economic Opportunity Act of 1964 which is operated for a period which is comparable to a full school year in the locality: *Provided*, That the salary of such staff member is not more than the salary of a comparable employee of the local educational agency, or

(C) as a full-time teacher of handicapped children in a public or other nonprofit elementary or secondary school system; or

(D) as a member of the Armed Forces of the United States, for service that qualifies for special pay under section 310 of title 37, United States Code, as an area of hostilities.

For purposes of this paragraph, the term "handicapped children" means children who are mentally retarded, hard of hearing, deaf, speech-impaired, visually handicapped, seriously emotionally disturbed, or other health-impaired children who by reason thereof require special education.

(3)(A) The per centum of a loan which shall be canceled under paragraph (1) of this subsection is—

(i) in the case of service described in clause (A), or (C), of paragraph (2), at the rate of 15 per centum for the first or second year of such service, 20 per centum for the third or fourth year of such service, and 30 per centum for the fifth year of such service;

(ii) in the case of service described in clause (B) of paragraph (2) at the rate of 15 per centum for each year of such service;

(iii) in the case of service described in clause (D) of paragraph (2) not to exceed a total of 50 per centum of such loan at the rate of 12½ per centum for each year of qualifying service.

(B) If a portion of a loan is canceled under this subsection for any year, the entire amount of interest on such loan which accrues for such year shall be canceled.

(C) Nothing in this subsection shall be construed to authorize refunding any repayment of a loan.

(4) For the purposes of this subsection, the term "year" where applied to service as a teacher means academic year as defined by the Commissioner.

(b) The Commissioner shall pay to each institution for each fiscal year an amount equal to the aggregate of the amounts of loans from its student loan fund which are canceled purusant to this section for such year. None of the funds appropriated pursuant to section 461(b) shall be available for payments pursuant to this subsection.

(20 U.S.C. 1087ee) Enacted June 23, 1972, P.L. 92–318, sec. 137(b), 86 Stat. 277, 278.

DISTRIBUTION OF ASSETS FROM STUDENT LOAN FUNDS

Sec. 466. (a) After June 30, 1980, and not later than December 31, 1980, there shall be a capital distribution of the balance of the student loan fund established under this part by each institution of higher education as follows:

(1) The Commissioner shall first be paid an amount which bears the same ratio to the balance in such fund at the close of June 30, 1980, as the total amount of the Federal capital contributions to such fund by the Commissioner under this part bears to the sum of such Federal contributions and the institution's capital contributions to such fund.

(2) The remainder of such balance shall be paid to the institution.

(b) After December 31, 1980, each institution with which the Commissioner has made an agreement under this part, shall pay to the

Commissioner the same proportionate share of amounts received by this institution after June 30, 1974, in payment of principal and interest on student loans made from the student loan fund established pursuant to such agreement (which amount shall be determined after deduction of any costs of litigation incurred in collection of the principal or interest on loans from the fund and not already reimbursed from the fund or from such payments of principal or interest), as was determined for the Commissioner under subsection (a).

(c) Upon a finding by the institution or the Commissioner prior to July 1, 1980, that the liquid assets of a student loan fund established pursuant to an agreement under this part exceed the amount required for loans or otherwise in the foreseeable future, and upon notice to such institution or to the Commissioner, as the case may be, there shall be, subject to such limitations as may be included in regulations of the Commissioner or in such agreement, a capital distribution from such fund. Such capital distribution shall be made as follows:

(1) The Commissioner shall first be paid an amount which bears the same ratio to the total to be distributed as the Federal capital contributions by the Commissioner to the student loan fund prior to such distribution bear to the sum of such Federal capital contributions and the capital contributions to the fund made by the institution.

(2) The remainder of the capital distribution shall be paid to the institution.

(20 U.S.C. 1087ff) Enacted June 23, 1972, P.L. 92-318, sec. 137(b), 86 Stat. 278, 279.

PART F—GENERAL PROVISIONS RELATING TO STUDENT ASSISTANCE PROGRAMS

Subpart 1—General Provisions

DEFINITIONS

SEC. 491. (a) For purposes of this title, the term "State" includes the Trust Territory of the Pacific Islands.

(b)(1) For the purposes of this title, except subpart 5 of Part A, except part B, the term "institution of higher education" includes any school of nursing; and any proprietary institution of higher education which has an agreement with the Commissioner containing such terms and conditions as the Commissioner determines to be necessary to insure that the availability of assistance to students at the school under this title has not resulted, and will not result, in an increase in the tuition, fees, or other charges to such students.

(2) For the purposes of this subsection:

(A) The term "school of nursing" means a public or other nonprofit collegiate or associate degree school of nursing.

(B) The term "collegiate school of nursing" means a department, division, or other administrative unit in a college or university which provides primarily or exclusively an accredited program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing.

(C) The term "associate degree school of nursing" means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively an accredited two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree.

(D) The term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies approved for such purpose by the Commissioner.

(3) For the purposes of this subsection, the term "proprietary institution of higher education" means a school (A) which provides not less than a six-month program of training to prepare students for gainful employment in a recognized occupation, (B) which meets the requirements of clauses (1) and (2) of section 1201(a), (C) which does not meet the requirement of section clause (4) of section 1201(a), (D) which is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose, and (E) which has been in existence for at least two years. For purposes of this paragraph, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) For the purposes of this title—

(1) the term "academic year" shall be defined by the Commissioner by regulations; and

(2) the term "in attendance", when applied to a student, means a student who attends an institution of higher education at least on a half-time basis, as defined by the Commissioner by regulation.

(20 U.S.C. 1088) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 151, 82 Stat. 1032, subsection (b) amended June 23, 1972. P.L. 92–318; sec. 131(c), 86 Stat. 259, 260; redesignated June 23, 1972. P.L. 92–318, sec. 137(b), 86 Stat. 272; amended June 23, 1972, P.L. 92–318, sec. 1001(c)(3), 86 Stat. 381.

ELIGIBILITY OF RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

SEC. 492. Permanent residents of the Trust Territory of the Pacific Islands shall be eligible for assistance under title II of the National Defense Education Act of 1958 and under this title to the same extent that citizens of the United States are eligible for such assistance.

(20 U.S.C. 1088a) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 151, 82 Stat. 1032; redesignated June 23, 1972, P.L. 92–318, sec. 137(b), 80 Stat. 272.

EXPENSES OF ADMINISTRATION

SEC. 493. (a) An institution which has entered into an agreement with the Commissioner under part A or C of this title shall be entitled for each fiscal year for which it receives an allotment under either such part to a payment in lieu of reimbursement for its expenses during such fiscal year in administering programs assisted under such part. The payment for a fiscal year (1) shall be payable from each such allotment in accordance with regulations of the Commissioner, and (2) shall (except as provided in subsection (b)) be an amount equal to 3 per centum of (A) the institution's expenditures during the fiscal year from its allotment under part A plus (B) its expenditures during such fiscal year under part C for compensation of students.

(b) The aggregate amount paid to an institution for a fiscal year under this section plus the amount withdrawn from its student loan fund under section 204(b) of the National Defense Education Act of 1958 may not exceed $125,000.

(20 U.S.C. 1088b) Enacted Oct. 16, 1968, P.L. 90-575, Title I, sec. 152, 82 Stat. 1033; redesignated June 23, 1972, P.L. 92-318, sec. 137(b), 86 Stat. 372.

MAINTENANCE OF EFFORT

SEC. 494. An agreement between the Commissioner and an institution under part A or part C shall provide assurance that the institution will continue to spend in its own scholarship and student-aid program, from sources other than funds received under such parts, not less than the average expenditures per year made for that purpose during the most recent period of three fiscal years preceding the effective date of the agreement, except that under special and unusual circumstances, pursuant to regulations, the Commission is authorized to waive the application of any provision of such an agreement which is required by this section.

(20 U.S.C. 1088c) Enacted Oct. 16, 1968, P.L. 90-575, Title I, sec. 152, 82 Stat. 1033; redesignated June 23, 1972, P.L. 92-318, sec. 137(b), 86 Stat. 272.

FURNISHING GUIDELINES

SEC. 495. Copies of all rules, regulations, guidelines, instructions, and application forms published or promulgated pursuant to this title shall be provided to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives at least thirty days prior to their effective date.

(20 U.S.C. 1088d) Enacted June 23, 1972, P.L. 92-318, sec. 139, 86 Stat. 280.

TRANSFERS BETWEEN PROGRAMS

SEC. 496. Up to 10 per centum of the allotment of an institution of higher education for a fiscal year under section 413D or 442 of this Act, may be transferred to, and used for the purposes of, the institution's allotment under the other section within the discretion of such institution in order to offer an arrangement of types of aid, including institutional and State aid, which best fits the needs of each individual student. The Commissioner shall have no control over such transfer, except as specifically authorized, except for the collection and dissemination of information.

(20 U.S.C. 1088e) Enacted June 23, 1972, P.L. 92-318, sec. 139A, 86 Stat. 281.

ELIGIBILITY FOR STUDENT ASSISTANCE

SEC. 497. (a) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has been convicted by any court of record of any crime which was committed after June 30, 1972, and which involved the use of (or assistance to others in the use of) force, disruption, or the seizure of property under control of any institution of higher education to prevent officials or students in such institution from engaging in their duties or pursuing their studies, and that such crime was of a serious nature and contributed to a substantial disruption of the administration of the institution with respect to which such crime was committed, then the institution which such individual attends, or is employed by, shall deny for a period of two years any further payment to, or for the direct benefit of, such individual under any of the programs authorized under this title. If an institution denies an individual assistance under the authority of the preceding sentence of this subsection, then any institution which such individual subsequently attends shall deny for the remainder of the two-year period any further payment to, or for the direct benefit of, such individual under any program authorized by this title.

(b) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has willfully refused to obey a lawful regulation or order of such institution after June 30, 1972, and that such refusal was of a serious nature and contributed to a substantial disruption of the administration of such institution, then such institution shall deny, for a period of two years, any further payments to, or for the direct benefit of, such individual under any program authorized by this title.

(c)(1) Nothing in this section shall be construed to prohibit any institution of higher education from refusing to award, continue, or extend any financial assistance under this title to any individual because of any misconduct which in its judgment bears adversely on his fitness for such assistance.

(2) Nothing in this section shall be construed as limiting or prejudicing the rights and prerogatives of any institution of higher education to institute and carry out an independent, disciplinary proceeding pursuant to existing authority practice and law.

(3) Nothing in this section shall be construed to limit the freedom of any student to verbal expression of individual views or opinions.

(20 U.S.C. 1088f) Enacted June 23, 1972, P.L. 92-318, sec. 139B, 86 Stat. 281.

AFFIDAVIT OF EDUCATIONAL PURPOSE REQUIRED

SEC. 498. (a) Notwithstanding any other provision of law, no grant, loan, or loan guarantee authorized under this title may be made unless the student to whom the grant, loan, or loan guarantee is made has filed with the institution of higher eudcation which he intends to attend, or is attending (or in the case of a loan or loan guarantee with the lender), an affidavit stating that the money attributable to such grant, loan, or loan guarantee will be used solely for expenses related to attendance or continued attendance at such institution.

(b) Nothing in this section shall be construed to invalidate any loan guarantee made under this title.

(20 U.S.C. 1088g) Enacted June 23, 1972, P.L. 92-318, sec. 139C, 86 Stat. 282.

Subpart 2—Advisory Council on Financial Aid to Students

ESTABLISHMENT OF COUNCIL

SEC. 499. (a) There is established in the Office of Education an Advisory Council on Financial Aid to Students (hereafter in this section referred to as the "Council"), consisting of the Commissioner, who shall be Chairman, and [illegible] members appointed by the Commisioner without regard to the civil service or classification laws. Such appointed members shall include (1) leading authorities in the field of education, (2) persons representing State and private nonprofit loan insurance programs, financial and credit institutions, and institutions of higher education and other eligible institutions as those terms may be variously defined in this Act or in the National Defense Education Act of 1958, and (3) at least one undergraduate student in an institution of higher education or other eligible institution.

(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to financial assistance to students and on evaluation of the effectiveness of these programs.

(20 U.S.C. 1089) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 151, 82 Stat. 1032; subsections (c) and (d) repealed April 13, 1970, P.L. 91–230, sec. 401(h) and superseded by pt. C of title IV of P.L. 90–247, as amended; redesignated June 23, 1972, P.L. 92–318, sec. 137(b) 86 Stat. 272.

TITLE V—EDUCATION PROFESSIONS DEVELOPMENT

PART A—GENERAL PROVISIONS

STATEMENT OF PURPOSE

SEC. 501. (a) The purpose of this title is to improve the quality of teaching and to help meet critical shortages of adequately trained educational personnel by (1) developing information on the actual needs for educational personnel, both present and long range, (2) providing a broad range of high quality training and retraining opportunities, responsive to changing manpower needs; (3) attracting a greater number of qualified persons into the teaching profession; (4) attracting persons who can stimulate creativity in the arts and other skills to undertake short-term or long-term assignments in education; and (5) helping to make educational personnel training programs more responsive to the needs of the schools and colleges.

(b) For the purpose of carrying out the provisions of this title, there are authorized to be appropriated $200,000,000 for the fiscal year ending June 30, 1973, $300,000,000 for the fiscal year ending June 30, 1974, and $450,000,000 for the fiscal year ending June 30, 1975, of which—

(1) not less than $500,000 shall be for the purposes of section 504;

(2) not less than 25 percentum or $37,500,000, whichever is greater, shall be for the purposes of subpart 1 of part B;

(3) not less than 5 per centum shall be for the purposes of part C;

(4) not less than 5 per centum shall be for the purposes of part D;

(5) not less than 5 per centum shall be for the purposes of part E;

(6) not less than 10 per centum shall be for the purposes of part F; and

(7) not less than 5 per centum of the amounts available for the purposes of Part C or Part D shall be used for the training of teachers for service in programs for children with limited English-speaking ability.

(20 U.S.C. 1091) Enacted June 29, 1967, P.L. 90-35, sec. 2(c), 81 Stat. 82; subsection (b) added June 23, 1972, P.L. 92-318, Title I, sec. 141(b)(1), 86 Stat. 285.

NATIONAL ADVISORY COUNCIL ON EDUCATION PROFESSIONS DEVELOPMENT

SEC. 502. (a) The President shall, within ninety days after the enactment of this section, appoint a National Advisory Council on education Professions Development (hereafter in this section referred to as the "Council") for the purpose of reviewing the operation of this title and of all other Federal programs for the training and development of educational personnel, and evaluating their effectiveness in meeting needs for additional educational personnel, and in achieving improved quality in training programs as evidenced in the competency of the persons receiving such training when entering positions in the field of education. The Council shall, in addition, advise the Secretary and the Commissioner with respect to policy matters arising in the administration of this title and any other matters, relating to the purposes of this title, on which their advice may be requested.

(b) The Council shall be appointed by the President, without regard to the civil service and classification laws, and shall consist of fifteen persons. The members, one of whom shall be designated by the President as Chairman, shall include persons broadly representative of the fields of education, the arts, the sciences, and the humanities, and of the general public; and a majority of them shall be engaged in teaching or in the education of teachers.

(c) The Council shall make an annual report of its findings and recommendations (including recommendations for changes in this title and other Federal laws relating to educational personnel training) to the President and the Congress not later than January 31 of each calendar year beginning after the entactment of this section. The President is requested to transmit to the Congress such comments and recommendations as he may have with respect to such report.[1]

(20 U.S.C. 1091(a)) Enacted June 29, 1967, P.L. 90-35, sec. 2(c), 81 Stat. 82; subsections (d) and (e) repealed April 13, 1970, P.L. 91-230, sec. 401(h) and superseded by part C of title IV of P.L. 90-247, as amended; sec. 502(f) amended April 13, 1970, P.L. 91-230, 84 Stat. 190; sec. 502(f) repealed June 23, 1972, P.L. 92-318, sec. 141(c)(1)(A), 86 Stat. 285.

APPRAISING EDUCATION PERSONNEL NEEDS

SEC. 503. (a) The Commissioner shall from time to time appraise the Nation's existing and future personnel needs in the field of education, including preschool programs, elementary and secondary education, vocational and technical education, adult education, and higher education, including the need to provide such programs and education to Indians, and the adequacy of the Nation's efforts to meet these needs. In developing information relating to educational personnel needs, the Commissioner shall consult with, and make maximum utilization of statistical and other related information of, the Department of Labor, the National Science Foundation, the National Foundation on the Arts and the Humanities, State educational agencies, State employment security agencies, and other appropriate public and private agencies.

---

[1] Section 141(c)(4) of P.L. 92-318 provides as follows:
"(4) The Department of Health, Education, and Welfare shall, under the authority of section 401(c) and of part C of the General Education Provisions Act, submit to the Congress an estimate of the sums necessary to carry out section 502 of such title V."

(b) The Commissioner shall prepare and publish annually a report on the education professions, in which he shall present in detail his views on the state of the education professions and the trends which he discerns with respect to the future complexion of programs of education throughout the Nation and the needs for well-educated personnel to staff such programs. The report shall indicate the Commissioner's plans concerning the allocation of Federal assistance under this title in relation to the plans and programs of other Federal agencies.

(20 U.S.C. 1091b) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 83; amended June 23, 1972, P.L. 92–318, sec. 451, 86 Stat. 344.

ATTRACTING QUALIFIED PERSONS TO THE FIELD OF EDUCATION

Sec. 504. (a) The Commissioner is authorized to make grants to, or contracts with, State or local educational agencies, institutions of higher education, or other public or nonprofit agencies, organizations, or institutions, and he is authorized to enter into contracts with private agencies, institutions, or organizations when he, after consultation with the National Advisory Council on Education Professions Development, considers such contract will make an especially significant contribution to attaining the objectives of this section, for the purpose of—

(1) identifying capable youth in secondary schools who may be interested in careers in education and encouraging them to pursue postsecondary education in preparation for such careers;

(2) publicizing available opportunities for careers in the field of education;

(3) encouraging qualified persons to enter or reenter the field of education; or

(4) encouraging artists, craftsmen, artisans, scientists, and persons from other professions and vocations, and homemakers to undertake teaching or related assignments on a part-time basis or for temporary periods.

(20 U.S.C. 1091c) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 83; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 231, 82 Stat. 1039; sec. 504(b) repealed June 23, 1972, P.L. 92–318, sec. 41(c)(1)(B), 86 Stat. 285.

CONSULTATION

Sec. 505. In the development and review of grant and contract programs under this title the Commissioner shall consult with the National Science Foundation and the National Foundation on the Arts and the Humanities to promote coordinated planning of programs to train educational personnel.

(20 U.S.C. 1091d) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 84.

TRANSFER OF FUNDS

SEC. 506. In addition to the authority for utilization of other agencies conferred by section 803(b)[1] of this Act, funds available to the Commissioner for grants or contracts under this title shall, with the approval of the Secretary, be available for transfer to any other Federal agency for use (in accordance with an interagency agreement) for purposes for which such transferred funds could be otherwise expended by the Commissioner under the provisions of this title, and the Commissioner is likewise authorized to accept and expend funds of any other Federal agency for use under this title.

(20 U.S.C. 1091e) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 84.

EXPERTS AND CONSULTANTS

SEC. 507. The Commissioner may employ experts and consultants, as authorized by section 3109 of title 5, United States Code, to advise him with respect to the making of grants and contracts and the approving of programs under this title. Experts and consultants employed pursuant to this section may be compensated while so employed at rates not in excess of $100 per day (or, if higher, the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code), including traveltime, and, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(20 U.S.C. 1091f) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 84.

LIMITATION

SEC. 508. Nothing contained in this title shall be construed to authorize the making of any payment under this title for religious worship or instruction or training for a religious vocation or to teach theological subjects.

(20 U.S.C. 1092) Enacted Nov. 8, 1965, P.L. 89–239, Title V, sec. 502, 79 Stat. 1255; redesignated and amended June 29, 1967, P.L. 90–35, secs. 2(b), 7, 81 Stat. 82, 93.

SHORT TITLE

SEC. 509. This title may be cited as the "Education Professions Development Act".

Enacted June 29, 1967, P.L. 90–35, sec. 8, 81 Stat. 93.

PART B—ATTRACTING AND QUALIFYING TEACHERS

Subpart 1—Teacher Corps

STATEMENT OF PURPOSE AND AUTHORIZATION OF APPROPRIATIONS

SEC. 511. The purpose of this subpart is to strengthen the educational opportunities available to children in areas having concentrations of low-income families and to encourage colleges and universities to broaden their programs of teacher preparation and to encourage institutions of higher education and local educational agencies to improve programs of training and retraining for teachers and teacher aides by—

---

[1] Sec. 803, which was sec. 1203, was repealed by P.L. 91–230 and replaced by sec. 421(b) of the General Education Provisions Act (20 U.S.C. 1231(b)).

(1) attracting and training qualified teachers who will be made available to local educational agencies for teaching in such areas;

(2) attracting and training inexperienced teacher-interns who will be made available for teaching and inservice training to local educational agencies in such areas in teams led by an experienced teacher;

(3) attracting volunteers to serve as part-time tutors or full-time instructional assistants in programs carried out by local educational agencies and institutions of higher education serving such areas;

(4) attracting and training educational personnel to provide relevant remedial, basic, and secondary educational training, including literacy and communications skills, for juvenile delinquents, youth offenders, and adult criminal offenders;

(5) supporting demonstration projects for retaining experienced teachers and teacher aides serving in local educational agencies.

(20 U.S.C. 1101) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 511, 79 Stat. 1255; amended June 29, 1967, P.L. 90–35, sec. 3(b), 81 Stat. 85; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 231, 82 Stat. 1039; amended April 13, 1970, P.L. 91–230, sec. 804(b)(1)(2), 84 Stat. 190; and further amended April 13, 1970, P.L. 91–230, sec. 805(a), 84 Stat. 191; sec. 511(b) repealed June 23, 1972; P.L. 92–318, sec. 141(c)(1)(C), 86 Stat. 285; amended August 21, 1974, P.L. 93–380, sec. 835(a)(1), 88 Stat. 605.

ESTABLISHMENT OF TEACHER CORPS

SEC. 512. In order to carry out the purposes of this subpart, there is hereby established in the Office of Education a Teacher Corps. The Teacher Corps shall be headed by a Director who shall be compensated at the rate prescribed for grade 17 of the General Schedule of the Classification Act of 1949, and a Deputy Director who shall be compensated at the rate prescribed for grade 16 of such General Schedule. The Director and the Deputy Director shall perform such duties as are delegated to them by the Commissioner; except that (1) the Commisssioner may delegate his functions under this subpart only to the Director, and (2) the Director and Deputy Director shall not be given any function authorized by law other than that granted by this subpart.

(20 U.S.C. 1102) Enacted Nov. 8, 1965 P.L. 89–329, Title V, sec. 512, 79 Stat. 1255; amended June 29, 1967, P.L. 90–35, sec. 3(a), (3), (4), 81 Stat.; amended June 23, 1972, P.L. 92–318, sec. 142, 85 Stat. 286.

TEACHER CORPS PROGRAM

SEC. 513. (a) For the purpose of carrying out this subpart, the Commissioner is authorized to—

(1) enter into contracts or other arrangements with institutions of higher education or local educational agencies under which they will recruit, select, and enroll in the Teacher Corps

for periods of up to two years, experienced teachers, teacher aides, persons who have a bachelor's degree or its equivalent, and persons who have successfully completed two years of a program for which credit is given toward a baccalaureate degree and, for such periods as the Commission may prescribe by regulation, persons who volunteer to serve as part-time tutors or full-time instructional assistant;

(2) enter into arrangements, through grants or contracts, with institutions of higher education or local educational agencies (upon approval in either case by the appropriate State educational agency) or with State educational agencies to provide members of the Teacher Corps with such training as the Commissioner may deem appropriate to carry out the purpose of this subpart, including not more than three months of training for members before they undertake their teaching duties under this subpart;

(3) enter into arrangements (including the payment of the cost of such arrangements) with local educational agencies upon approval by the appropriate State educational agency and, after consultation in appropriate cases with institutions of higher education, to furnish to local educational agencies, for service during regular or summer sessions, or both, in the schools of such agencies in areas having concentrations of children from low-income families, teaching teams, each of which shall consist of an experienced teacher and a number of teacher-interns who, in addition to teaching duties, shall be afforded time by the local educational agency for a teacher-intern training program carried out under the guidance of an experienced teacher in cooperation with an institution of higher education;

(4) pay to local educational agencies such part of the amount of the compensation which such agencies pay to or on behalf of members of the Teacher Corps assigned to them pursuant to arrangements made pursuant to the preceding clause (3) as may be agreed upon after consideration of their ability to pay such compensation, but not in excess of 90 per centum thereof, except that, in exceptional cases, the Commissioner may provide more than 90 per centum of such compensation during the first year of any agency's participation in the program;

(5) enter into contracts or other arrangements with local educational agencies or institutions of higher education, upon approval by the appropriate State educational agency, under which provisions (including payment of the cost of such arrangements) will be made (A) to carry out programs serving disadvantaged areas in which volunteers (including high school and college students) serve as part-time tutors or full-time instructional assistants in teams with other Teacher Corps members, under the guidance of experienced teachers, but not in excess of 90 per centum of the cost of compensation for such tutors and instructional assistants may be paid from Federal funds, and (B) to provide appropriate training to prepare tutors and instructional assistants for service in such programs;

(6) enter into arrangements, through grants or contracts, with State and local educational agencies, and with institutions of higher education, and such other agencies or institutions ap-

proved by the Commissioner according to criteria which shall be established by him to carry out the purposes of this paragraph, under which provisions (including payments of the cost of such arrangements) will be made to furnish to such agencies members of the Teacher Corps to carry out projects designed to meet the special educational needs of juvenile delinquents, youth offenders, and adult criminal offenders, and persons who have been determined by a State or local educational agency, court of law, law enforcement agency, or any other State or local public agency to be predelinquent juveniles, but not in excess of 90 per centum of the cost of compensation for Teacher Corps members serving in such projects may be paid from Federal funds;

(7) make available technical assistance to local educational agencies and institutions of higher education for carrying out arrangements entered into under clause (1);

(8) acquaint qualified persons of teaching opportunities and needs in disadvantaged areas and encourage qualified persons to apply to appropriate educational agencies or institutions for enrollment in the Teacher Corps; and

(9) accept and employ in the furtherance of the purposes of this subpart (A) voluntary and uncompensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes, as amended (31 U.S.C. 665(b)), and (B) any money or property (real, personal, or mixed, tangible or intangible) received by gift, device, bequest, or otherwise.

(b) Arrangements with institutions of higher education to provide training for teacher-interns while teaching in schools for local educational agencies under the provisions of this subpart shall provide, wherever possible, for training leading to an appropriate degree.

(c) (1) Whenever the Commissioner determines that the demand for the services of members of the Teacher Corps exceeds the number available, he shall, to the extent practicable, allocate the number of members of the Teacher Corps who are available among the States in accordance with paragraph (2).

(2) Not to exceed 5 per centum of the number of members of the Teacher Corps who are available shall be allocated to Puerto Rico, the Virgin Islands, Guam, American Samoa and the Trust Territory of the Pacific Islands and not to exceed 5 per centum of such members shall be allocated to the elementary and secondary schools operated for Indian children by the Department of Interior, according to their respective needs. The remainder of such number of Teacher Corps members shall be allocated among the States so that the number of members available to any State shall bear the same ratio to the number being allocated as the number of children enrolled in the public and private elementary and secondary schools of that State bears to the total number of children so enrolled in such schools in all of the States. The number of children so enrolled shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him. For purposes of this subsection, the term "State" shall not include Puerto Rico, the Virgin Islands, Guam, American Samoa, or the Trust Territory of the Pacific Islands.

(3) If the Commissioner determines that a State will not require the number of Teacher Corps members allocated to it under paragraph

(2), he shall, from time to time, reallot the number not required, on such dates as he may fix, to other States in proportion to the original allocation to such States under paragraph (2), but with such proportionate number for any of such other States being reduced to the extent it exceeds the number the Commissioner determines such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallocated among the States whose proportionate numbers were not so reduced.

(d) A local educational agency may utilize members of the Teacher Corps assigned to it in providing, in the manner described in section 205(a)(2) of Public Law 874, Eighty-first Congress, as amended, educational services in which children enrolled in private elementary and secondary schools can participate.

(20 U.S.C. 1103) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 513, 79 Stat. 1256; amended June 29, 1967, P.L. 90–35, sec. 9(a), (c), (f), 81 Stat. 85, 86; sec. 513(c)(2) amended Apr. 13, 1970, P.L. 91–230, sec. 803, 84 Stat. 190; sec. 513(a) amended Apr. 13, 1970, P.L. 91–230, sec. 804(c), 84 Stat. 190; and further amended Apr. 13, 1970, P.L. 91–230, sec. 805(b), 84 Stat. 191; amended August 21, 1974, P.L. 93–380, sec. 835(a)(2), 88 Stat. 605.

COMPENSATION

SEC. 514. (a) An arrangement made with a local educational agency pursuant to paragraph (3) of section 513(a), or arrangement with a local educational agency or institution of higher education pursuant to paragraph (5) of section 513(a), or an arrangement with any agency pursuant to paragraph (6) of section 513(a), shall provide for compensation by such agency of Teacher Corps members during the period of their assignment to it at the following rates:

(1) an experienced teacher who is leading a teaching team shall be compensated at a rate agreed to by such agency and the Commissioner;

(2) a teacher intern shall be compensated at such rates as the Commissioner may determine to be consistent with the nature of the program and with prevailing practices under comparable federally supported programs or local projects, not to exceed $150 per week plus $15 per week for each dependent; and

(3) tutors and instructional assistants shall be compensated at such rates as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported work-study programs.

(b) For any period of training under this part the Commissioner shall pay to members of the Teacher Corps such stipends (including allowances for subsistence and other expenses for such members and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported training programs.

(c) The Commissioner shall pay the necessary travel expenses of members of the Teacher Corps and their dependents and necessary expenses for the transportation of the household goods and personal effects of such members and their dependents, and such other necessary expenses of members as are directly related to their services in the Corps, including readjustment allowances proportionate to service.

(d) The Commissioner is authorized to make such arrangements as may be possible, including the payment of any costs incident thereto, to protect the tenure, retirement rights, participation in a medical insurance program, and such other similar employee benefits as the Commissioner deems appropriate, of a member of the Teacher Corps who participates in any program under this subpart and who indicates his intention to return to the local educational agency or institution of higher education by which he was employed immediately prior to his service under this subpart.

(e) The Commissioner is authorized to provide medical (including hospitalization) insurance for members of the Teacher Corps who do not otherwise obtain such insurance coverage either under an arrangement made pursuant to subsection (d) of this section or as an incident of an arrangement between the Commissioner and an institution or a State or local educational agency pursuant to section 513.

(20 U.S.C. 1104) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 514, 79 Stat. 1257; amended June 29, 1967, P.L. 90–35, sec. 3(a), (g), 81 Stat. 85, 86; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 232, 82 Stat. 1039; amended Apr. 13, 1970, P.L. 91–230, sec. 804, 84 Stat. 191, and further amended Apr. 13, 1970, P.L. 91–230, sec. 805, 84 Stat. 192; amended Aug. 21, 1974, P.L. 93–380, sec. 835 (a)(4), 88 Stat. 605.

APPLICATION OF PROVISIONS OF FEDERAL LAW

SEC. 515. (a) Except as otherwise specifically provided in this section, a member of the Teacher Corps shall be deemed not to be a Federal employee and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(NOTE.—Subsection (b) was repealed by P.L. 90–83.)

(c) Such members shall be deemed to be employees of the Government for the purposes of the Federal tort claims provisions of title 28, United States Code.

(d) Members of the Teachers Corps shall not be eligible to receive payment of a student loan under title II of the National Defense Education Act of 1958 or of an educational opportunity grant under title IV of this Act.

(20 U.S.C. 1105) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 515, 79 Stat. 1257; amended June 29, 1967, P.L. 90–35, sec. 3(h), 81 Stat. 87; amended Sept. 11, 1967, P.L. 90–83, sec. 10(b), 81 Stat. 223.

LOCAL CONTROL PRESERVED

SEC. 516. Members of the Teacher Corps shall be under the direct supervision of the appropriate officials of the local educational agencies to which they are assigned. Except as otherwise provided in clause (3) of section 513(a), such agencies shall retain the authority to—

(1) assign such members within their systems;

(2) make transfers within their systems;

(3) determine the subject matter to be taught;

(4) determine the terms and continuance of the assignment of such members within their systems.

(20 U.S.C. 1106) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 516, 79 Stat. 1258.

MAINTENANCE OF EFFORT

SEC. 517. No member of the Teacher Corps shall be furnished to any local educational agency under the provisions of this subpart if such agency will use such member to replace any teacher who is or would otherwise be employed by such agency.

(20 U.S.C. 1107) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 517, 79 Stat. 1258.

TEACHING CHILDREN OF MIGRATORY AGRICULTURAL WORKERS

SEC. 517A. For purposes of this part the term "local educational agency" includes any State educational agency or other public or private nonprofit agency which provides a program or project designed to meet the special educational needs of migratory children of migratory agricultural workers, and any reference in this part to (1) teaching in the schools of a local educational agency includes teaching in any such program or project and (2) "migratory children of migratory agricultural workers" shall be deemed to continue to refer to such children for a period, not in excess of five years, during which they reside in the area served by the local educational agency.

(20 U.S.C. 1107a) Enacted June 29, 1967, P.L. 90–35, sec. 3(i), 81 Stat. 87.

Subpart 2—Attracting and Qualifying Teachers To Meet Critical Teacher Shortages

PROGRAM AUTHORIZED

SEC. 518. The Commissioner shall carry out a program for making grants to States to enable them to support the efforts of local communities experiencing critical teacher shortages, or the efforts of State educational agencies, (1) to attract to teaching persons in the community who have been otherwise engaged and to provide them, through short-term intensive training programs and subsequent in-service training, with the qualifications necessary for a successful career in teaching, (2) to obtain the services of teacher aides and provide them with the necessary training with a view to increasing the effectiveness of classroom teachers, (3) to encourage volunteers (including high school and college students) for service as part-time tutors or full-time instructional assistants for educationally disadvantaged children, (4) to compensate such tutors and instructional assistants at such rates as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported work-study programs, and (5) to provide necessary training to teachers to enable them to teach other grades or other subjects in which such agencies have a teacher shortage.

(20 U.S.C. 1108) Enacted June 29, 1967, P.L. 90–35, sec. 4, 81 Stat. 87; amended Oct. 16, 1968, P.L. 90–575, Title II, secs. 231, 233, 82 Stat. 1039; sec. 518(b) repealed June 23, 1972, P.L. 92–318, sec. 141(c)(1)(D), 86 Stat. 285; amended further by sec. 141(c)(2)(A), P.L. 92–318, 86 Stat. 285; amended further by sec. 143(a)(1), P.L. 92–318, 86 Stat. 286.

ALLOTMENT TO STATES

SEC. 519. (a) From the amount available for grants under this subpart for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine and shall allot such amount among Puerto Rico, Guam, American Samoa, the Virgin Islands, the Canal Zone, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this subpart. From the remainder of such sums, the Commissioner shall apportion $100,000 to each State, and shall then apportion to each State such part of the amount remaining which bears the same ratio to the total of such amount as the number of children enrolled in the public and private elementary and secondary schools of that State bears to the total number of children so enrolled in such schools in all of the States. The number of children so enrolled shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him. For purposes of this subsection, the term "State" shall not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Canal Zone, and the Trust Territory of the Pacific Islands.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year from funds appropriated pursuant to section 519 shall be deemed part of its allotment under subsection (a) for such year.

(20 U.S.C. 1109) Enacted June 29, 1967, P.L. 90–35, sec. 4, 81 Stat. 88; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 234, 82 Stat. 1039; sec. 519(a) amended June 23, 1972, P.L. 92–318, sec. 141(c) (2) (B), 86 Stat. 285.

STATE PLANS

SEC. 520. (a) Any State which desires to receive grants under this subpart shall submit to the Commissioner, through its State educational agency, a State plan, in such detail as the Commissioner deems necessary, which—

(1) designates the State educational agency as the sole State agency for administration of the State plan;

(2) sets forth a program under which funds paid to the State from its allotment under section 519 will be expended solely for (A) programs of local educational agencies or of the State educational agency, or both, to attract to teaching, persons in the community who have been otherwise engaged and to provide short-term intensive training and subsequent in-service training to qualify such persons for teaching, (B) programs of such agencies to obtain the services of teacher aides and to provide them with the preservice or in-service training they need to perform their duties as teacher aides, (C) programs of such agencies to employ high school and college students as tutors or instructional assistants for educationally disadvantaged children,

(D) programs of such agencies to compensate such tutors and instructional assistants at such rates as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported work-study programs, (E) programs of such agencies to provide necessary training to teachers to enable them to teach other grades or other subjects in which such agencies have a teacher shortage, and (F) administration of the State plan, except that the amount used for administration of the State plan for any fiscal year shall not exceed an amount equal to 5 per centum of the amount paid to the State under this subpart for that year or $20,000, whichever is greater;

(3) with respect to so much of the State program as is to be carried out by local educational agencies, (A) provides assurance that every local educational agency whose application for funds under the plan is denied will be given an opportunity for a fair hearing before the State educational agency and (B) sets forth the policies and procedures to be followed in allocating Federal funds to local educational agencies in the State, which policies and procedures shall insure that such funds will be allocated to local educational agencies having the most urgent need for teachers and teacher aides or for the retraining of teachers;

(4) provides that training under a program described in paragraph (2)(A) will be provided only to persons who will, upon completion of their short-term training have the qualifications for teaching in elementary or secondary schools in the community, and that training under a program described in paragraph (2)(B) will be provided only to persons who show promise of being able with appropriate training to serve competently as a teacher aide;

(5) provides assurance that no person will be denied admission to training programs carried on under this subpart because he is teaching or is preparing to teach or serve as a teacher aide in a private school;

(6) sets forth policies and procedures designed to assure that Federal funds made available under this subpart for any fiscal year will be so used as to supplement, and not supplant, funds which are available from State or local sources for purposes for which grants may be made under this subpart;

(7) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any such funds paid by the State to any other public agency) under this subpart; and

(8) provides for making such reports, in such form and containing such information, as the Commission may reasonably require to carry out his functions under this subpart, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(20 U.S.C. 1110) Enacted June 29, 1967, P.L. 90-35, sec. 4, 81 Stat. 88; amended Oct. 16, 1968, P.L. 90-575, Title II, sec. 233, 82 Stat. 1039; amended June 23, 1972, P.L. 92-318, secs. 143(a)(2) and (3), 144(a), 145(a) and 146(a), 86 Stat. 286, 287.

PAYMENTS TO STATES

SEC. 520A. From the amounts allotted to each State under section 519 the Commissioner shall pay to that State an amount equal to the amount expended by the State in carrying out its State plan. Such payments may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 1110a) Enacted June 29, 1967, P.L. 90–35, sec. 4, 81 Stat. 89.

ADMINISTRATION OF STATE PLANS

SEC. 520B. (a) The Commissioner shall not finally disapprove any State plan submitted under this subpart or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to such State agency finds—

(1) that the State plan has been so changed that it no longer complies with the provisions of section 520(a), or

(2) that in the administration of the plan there is a failure to comply substantially with any such provisions,

the Commissioner shall notify such State agency that the State will not be regarded as eligible to participate in the program under this subpart until he is satisfied that there is no longer any such failure to comply.

(20 U.S.C. 1110b) Enacted June 29, 1967, P.L. 90–35, sec. 4, 81 Stat. 89.

JUDICIAL REVIEW

SEC. 520C. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under section 520(a) or with his final action under section 520B (b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 1110c) Enacted June 29, 1967, P.L. 90–35, sec. 4, 81 Stat. 90.

PART C—FELLOWSHIPS FOR TEACHERS AND RELATED EDUCATIONAL PERSONNEL

STATEMENT OF PURPOSE

SEC. 521. The Congress hereby declares it to be the policy of the United States to improve the quality of education offered by the schools of the Nation by improving the quality of the education of persons who are pursuing or who plan to pursue a career in elementary and secondary education or postsecondary vocational education. The purpose of this part is to carry out this policy by awarding fellowships for graduate study at institutions of higher education and by developing or strengthening programs for the education of teachers and related educational personnel in institutions of higher education. For the purposes of this part the term "elementary and secondary education" includes preschool and adult and vocational education, and the term "career in elementary and secondary education or postsecondary vocational education" means a career of teaching in elementary or secondary schools (including teaching in preschool and adult and vocational education programs, and including teaching children of limited English-speaking ability) or in postsecondary vocational schools, a career of teaching, guiding, or supervising such teachers or persons who plan to become such teachers, a career in the administration of such schools or a career in fields which are directly related to teaching in such schools, such as library science, school nursing, school social work, guidance and counseling, educational media (including educational and instructional television and radio), child development, and special education for handicapped children; and for gifted and talented children.

(20 U.S.C. 1111) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 521, 79 Stat. 1258; amended June 29, 1967, P.L. 90–35, sec. 5(b), 81 Stat. 90; amended Jan. 2, 1968, P.L. 90–247, Title VII, sec. 704(a), 81 Stat. 820; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 235, 82 Stat. 1040; amended Apr. 13, 1970, 91-230, sec. 806(a), 84 Stat. 192; amended June 23, 1972, P.L. 92–318, sec. 146A, 86 Stat. 287.

FELLOWSHIPS AUTHORIZED

SEC. 522. The Commissioner is authorized to award fellowships in accordance with the provisions of this part for graduate study leading to an advanced degree for persons who are pursuing or plan to pursue a career in elementary and secondary education or postsecondary vocational education.

(20 U.S.C. 1112) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 522, 79 Stat. 1258; amended June 29, 1967, P.L. 90–35, sec. 5(b), 81 Stat. 91; amended Jan. 2, 1968, P.L. 90–247, Title VII, sec. 704(b), 81 Stat. 820.

ALLOCATION OF FELLOWSHIPS

SEC. 523. The Commissioner shall allocate fellowships under this part to institutions of higher education with programs approved under the provisions of section 524(a) of this title for the use of individuals accepted into such programs, in such manner and according to such plan as will most nearly—

(1) provide an equitable distribution of such fellowships throughout the States, taking into account such factors as the number of children in each State who are aged three to seventeen

and the undergraduate student enrollment in institutions of higher education in each State, except that to the extent that the National Advisory Council on Education Professions Development determines that an urgent need for a certain category of educational personnel is unlikely to be met without preference in favor of such a category over other categories of educational personnel, the Commissioner may give preference to programs designed to meet that need, but in no case shall such preferred programs constitute more than 50 per centum of the total number of fellowships awarded in any fiscal year, and

(2) encourage experienced teachers in elementary or secondary schools or postsecondary vocational schools and other experienced personnel in elementary or secondary education or postsecondary vocational education to enter graduate programs, attract recent college graduates to pursue a career in elementary and secondary education or postsecondary vocational education, and afford opportunities for college graduates engaged in other occupations or activities to pursue or return to a career in elementary and secondary education or postsecondary vocational education.

(20 U.S.C. 1113) Enacted Nov. 8, 1965, P.L. 89-329, Title V, sec. 523, 79 Stat. 1259; amended June 29, 1967, P.L. 90-35, sec. 5(d), 81 Stat. 91; amended Oct. 16, 1968, P.L. 90-575, Title II, sec. 236, 82 Stat. 1040.

APPROVAL OF PROGRAMS; GRANTS

SEC. 524. (a) The Commissioner shall approve a graduate program of an institution of higher education only upon application by the institution and only upon his finding—

(1) that such program will substantially further the objective of improving the quality of education of persons who are pursuing or intend to pursue a career in elementary and secondary education or postsecondary vocational education,

(2) that such program gives emphasis to high-quality substantive courses,

(3) that such program is of high quality and either is in effect or readily attainable, and

(4) that only persons who demonstrate a serious intent to pursue or to continue a career in elementary and secondary education or postsecondary vocational education will be accepted for study in the program.

For the purpose of obtaining an appropriate geographical distribution of high-quality programs for the training of personnel for elementary or secondary education, the Commissioner is authorized to make grants to and contracts with institutions of higher education to pay part of the cost of developing or strengthening graduate programs which meet or, as a result of the assistance received under this subsection will be enabled to meet, the requirements of subsection (a).

(20 U.S.C. 1114) Enacted Nov. 8, 1965, P.L. 89-329, Title V, sec. 524, 79 Stat. 1259; amended June 29, 1967, P.L. 90-35, sec. 5(e), 81 Stat. 91; amended Oct. 16, 1968, Title II, sec. 237, 82 Stat. 1040.

STIPENDS

SEC. 525. (a) The Commissioner shall pay to persons awarded fellowships under this part such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under

(b) The Commissioner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs.

(20 U.S.C. 1115) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 525, 79 Stat. 1260; amended June 29, 1967, P.L. 90–35, sec. 5(f), 81 Stat. 91; amended Oct 16, 1968, P.L. 90–575, Title II, sec. 238, 82 Stat. 1040; sec. 515(b) amended June 23, 1972, P.L. 92–318, sec. 141(c)(3), 86 Stat. 285.

LIMITATION

Sec. 526. No fellowship shall be awarded under this part for study at a school or department of divinity.

(20 U.S.C. 1116) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 526, 79 Stat. 1260; amended June 23, 1972, P.L. 92–318, sec. 131(d)(2), 86 Stat. 260.

FELLOWSHIP CONDITIONS

Sec. 527. A person awarded a fellowship under the provisions of this part shall continue to receive the payments provided in section 525(a) only during such periods as the Commissioner finds that he is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such followship was awarded in an institution of higher education, and is not engaging in gainful employment other than such part-time employment in teaching, research, or similar activities related to his training as has been approved by the Commissioner.

(20 U.S.C. 1117) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 527, 79 Stat. 1260.

Note.—Sec. 528 was repealed by sec. 141(c)(1)(E), (P.L. 92–318).

Part D—Improving Training Opportunities for Personnel Serving in Programs of Education Other Than Higher Education

ADVANCED TRAINING AND RETRAINING

Sec. 531. (a) The Commissioner is authorized to make grants to, or contracts with, institutions of higher education and State educational agencies, and to make grants to, or contracts with, local educational agencies if, after consultation with the State educational agency, such State agency is satisfied that the program or project will be coordinated with programs carried on under part B, for carrying out programs or projects to improve the qualifications of persons who are serving or preparing to serve in educational programs in elementary and secondary schools (including preschool and adult and vocational education programs) or postsecondary vocational schools or to supervise or train persons so serving.

(b) Programs or projects under this section may include, among others—

(1) programs or projects to train or retrain teachers, or supervisors or trainers of teachers, in any subject generally taught in the schools;

(2) programs or projects to train or retrain other educational personnel in such fields as guidance and counseling (including occupational counseling), school social work, child psychology, remedial speech and reading, child development, and educational media (including educational or instructional television or radio);

(3) programs or projects to train teacher aides and other nonprofessional educational personnel;

(4) programs or projects to provide training and preparation for persons participating in educational programs for children of preschool age;

(5) programs or projects to prepare teachers and other educational personnel to meet the special needs of the socially, culturally, and economically disadvantaged;

(6) programs or projects to prepare teachers and other educational personnel to meet the special needs of exceptionally gifted students;

(7) programs or projects to train or retrain persons engaging in programs of special education for the handicapped;

(8) programs or projects to train or retrain persons engaging in special educational programs for children of limited English-speaking ability;

(9) programs or projects to provide in-service and other training and preparation for school administrators;

(10) programs or projects to prepare artists, craftsmen, scientists, artisans, or persons from other professions or vocations, or homemakers to teach or otherwise assist in programs or projects of education on a long-term, short-term or part-time basis.

(11) programs or projects (including cooperative arrangements or consortia between institutions of higher education, junior and community colleges, or between such institutions and State or local educational agencies and nonprofit education associations) for the improvement of undergraduate programs for preparing educational personnel, including design, development and evaluation of exemplary undergraduate training programs, introduction of high quality and more effective curricula and curricular materials, and the provision of increased opportunities for practical teaching experience for prospective teachers in elementary and secondary schools; and

(12) programs and projects designed to meet the need for the training of teachers for participation in education programs for migratory children of migratory agricultural workers, including teacher exchange programs.

(c) Grants or contracts under this section may provide for use of funds received thereunder only to pay the cost of—

(1) short-term or regular-session institutes;

(2) other preservice and in-service training programs or projects designed to improve the qualifications of persons entering and reentering the field of elementary and secondary education or postsecondary vocational education, except that funds may not be used for seminars, symposia, workshops or conferences unless these are part of a continuing program of in-service or preservice training;

(3) projects or programs to improve undergraduate or other programs for training educational personnel; or

(4) such activities as may be necessary to carry out the purposes of clause (12) of subsection (b), to the extent that such activities are not inconsistent with the other provisions of this part.

(d) The Commissioner may include in the terms of any grant or contract under this section provisions authorizing the payment, to persons participating in training programs supported under this section, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents as he may determine, which shall be consistent with prevailing practices under comparable federally supported programs.

(20 U.S.C 1119) Enacted June 29, 1967, P.L. 90-35, sec. 6, 81 Stat. 91; amended June 23, 1972, P.L. 92-318, sec. 147(a)(1) and (2), 86 Stat. 287; further amended by sec. 148(a), P.L. 92-318, 86 Stat. 287.

TEACHERS FOR INDIAN CHILDREN

SEC. 532. Of the sums made available for the purposes of this part, not less than 5 per centum shall be used for grants to, and contracts with, institutions of higher education and other public and private nonprofit agencies and organizations for the purpose of preparing persons to serve as teachers of children living on reservations serviced by elementary and secondary schools for Indian children operated or supported by the Department of the Interior, including public and private schools operated by Indian tribes and by nonprofit institutions and organizations of Indian tribes. In carrying out the provisions of this section preference shall be given to the training of Indians.

(20 U.S.C. 1119a) Enacted June 23, 1972, P.L. 92-318, sec. 451(b), 86 Stat. 344.

DISTRIBUTION OF TRAINING PROGRAMS

SEC. 533. In making grants and contracts for programs and projects under this part, the Commissioner shall seek to achieve an equitable geographical distribution of training opportunities throughout the Nation, taking into account the number of children in each State who are aged three to seventeen.

(20 U.S.C. 1119a-1) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 239, 82 Stat. 1040-1041.

PART E—TRAINING PROGRAMS FOR HIGHER EDUCATION PERSONNEL

PROGRAMS AND PROJECTS

SEC. 541. (a) The Commissioner is authorized to make grants to, or contracts with, institutions of higher education to assist them in training persons who are serving or preparing to serve as teachers, administrators, or educational specialists in institutions of higher education.

(b) Grants or contracts under this section may provide for use of funds received thereunder only to assist in covering the cost of courses of training or study (including short-term or regular-session institutes and other preservice and in-service training programs) for such persons, and for establishing and maintaining fellowships or traineeships, except that funds may not be used for fellowships which are eligible for support under title IV of the National Defense Education Act of 1958, or for seminars, conferences, symposia, and workshops unless these are part of a continuing program of in-service or preservice training.

(c) The Commissioner may make a grant to or enter into a contract with an institution of higher education only upon application by the institution and only upon his finding that such program will substantially improve educational opportunities throughout the Nation for training for persons who have or are preparing to undertake teaching or administrative responsibilities in institutions of higher education or the responsibilities of an educational specialist in such institution.

(20 U.S.C. 1119b) Enacted June 29, 1967, P.L. 90–35, sec. 6, 81 Stat. 93.

STIPENDS

SEC. 542. The Commissioner may include in the terms of any arrangement with an institution of higher education under this part provisions authorizing the payment, to persons participating in training programs supported under this part, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as he may determine, which shall be consistent with prevailing practices under comparable federally supported programs.

(20 U.S.C. 1119b–1) Enacted June 29, 1967, P.L. 90–35, sec. 6, 81 Stat. 93.

(NOTE.—Sec. 543 was repealed by sec. 141(c)(1)(G), P.L. 92–318.)

PART F—TRAINING AND DEVELOPMENT PROGRAMS FOR VOCATIONAL EDUCATIONAL PERSONNEL

STATEMENT OF PURPOSE

SEC. 551. It is the purpose of this part to provide opportunities for experienced vocational educators to spend full-time in advanced study of vocational education for a period not to exceed three years in length; to provide opportunities to update the occupational competencies of vocational education teachers through exchanges of personnel between vocational education programs and commercial, industrial, or other public or private employment related to the subject matter of vocational education; and to provide programs of inservice teacher education and short-term institutes for vocational education personnel.

(20 U.S.C. 1119c) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 201, 82 Stat. 1091.

LEADERSHIP DEVELOPMENT AWARDS

SEC. 552. (a) In order to meet the needs in all the States for qualified vocational education personnel (such as administrators, supervisors, teacher educators, researchers, and instructors in vocational education programs) the Commissioner shall make available leadership development awards in accordance with the provisions of this part only upon his determination that—

(A) persons selected for awards have had not less than two years of experience in vocational education or in industrial training, or military technical training; or, in the case of researchers, experience in social science research which is applicable to vocational education; or

(B) persons receiving such awards are currently employed or are reasonably assured of employment in vocational education and have successfully completed, as a minimum, a baccalaureate degree program; or

(C) persons selected are recommended by their employer, or others, as having leadership potential in the field of vocational education and are eligible for admission as a graduate student to a program of higher education approved by the Commissioner under subsection (c).

(b)(1) The Commissioner shall pay to persons selected for leadership development awards such stipends (including such allowances for subsistence and other expenses for such person and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(2) The Commissioner shall, in addition to the stipends paid to persons under paragraph (1), pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with the prevailing practices under comparable federally supported programs not to exceed the equivalent of $3,500 per academic year, but any amount charged such person for tuition and nonrefundable fees and deposits shall be deducted from the amount payable to the institution of higher education under this subsection.

(c) The Commissioner shall approve the vocational education leadership development program of an institution of higher education by the institution only upon finding that—

(1) the institution offers a comprehensive program in vocational education with adequate supporting services and disciplines such as education administration, guidance and counseling research, and curriculum development;

(2) such program is designed to further substantially the objective of improving vocational education through providing opportunities for graduate training and vocational education teachers, supervisors, and administrators, and of university level vocational education teacher educators and researchers;

(3) such programs are conducted by a school of graduate study in the institution of higher education; and

(4) such program is also approved by the State board for vocational education in the State where the institution is located.

(d) In order to meet the needs for qualified vocational education personnel such as teachers, administrators, supervisors, and teacher educators, in vocational education programs in all the States, the Commissioner in carrying out this section shall apportion leadership development awards equitably among the States, taking into account such factors as the State's vocational education enrollments, and the incidence of youth unemployment and school dropouts in the State.

(e) Persons receiving leadership awards under the provisions of this section shall continue to receive the payments provided in subsection (b) only during such periods as the Commissioner finds that they are maintaining satisfactory proficiency in, and devoting essentially full time to, study or research in the field of vocational education in an institution of higher education, and are not engaging in gainful employment, other than part-time employment by such institution in teaching, research, or similar activities, approved by the Commissioner.

(20 U.S.C. 1119c-1) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 201, 82 Stat. 1092, 1093.

EXCHANGE PROGRAMS, INSTITUTES, AND IN-SERVICE EDUCATION FOR VOCATIONAL-EDUCATION TEACHERS, SUPERVISORS, COORDINATORS, AND ADMINISTRATORS

SEC. 553. (a) The Commissioner is authorized to make grants to State boards, as defined in the Vocational Education Act of 1963, to pay the cost of carrying out cooperative arrangements for the training or retraining of experienced vocational education personnel such as teachers, teacher educators, administrators, supervisors, and coordinators, and other personnel, in order to strengthen education programs supported by this part and the administration of schools offering vocational education. Such cooperative arrangements may be between schools offering vocational education and private business or industry, commercial enterprises, or with other educational institutions (including those for the handicapped and delinquent).

(b) Grants under this section may be used for projects and activities such as—

(1) exchange of vocational education teachers and other staff members with skilled technicians or supervisors in industry (including mutual arrangements for preserving employment and retirement status, and other employment benefits during the period of exchange), and the development and operation of cooperative programs involving periods of teaching in schools providing vocational education and of experience in commercial, industrial, or other public or private employment related to the subject matter taught in such school;

(2) in-service training programs for vocational education teachers and other staff members to improve the quality of instruction, supervision, and administration of vocational education programs; and

(3) short-term or regular-session institutes, or other preservice and in-service training programs or projects designed to improve the qualifications of persons entering and reentering the field of vocational education, except that funds may not be used for seminars, symposia, workshops or conferences unless these are part of a continuing program of in-service or preservice training.

(c) A grant may be made under this section only upon application to the Commissioner at such time or times and containing such information as he deems necessary. The Commissioner shall not approve an application unless it—

(1) sets forth a program for carrying out one or more projects or activities which meet the requirements of subsection (b), and provides for such methods of administration as are necessary for the proper and efficient operation of the program;

(2) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available for purposes which meet the requirements of subsection (b), and in no case supplant such funds;

(3) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(4) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(20 U.S.C. 1119c-2) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 201, 82 Stat. 1093, 1094.

FAMILIARIZING TEACHERS WITH NEW CURRICULAR MATERIALS

Sec. 554. In approving training and development programs for vocational education personnel, the Commissioner shall give special consideration to programs which are designed to familiarize teachers with new curricular materials in vocational education.

(20 U.S.C. 1119c-3) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 201, 82 Stat. 1094.

TITLE VI—FINANCIAL ASSISTANCE FOR THE IMPROVEMENT OF UNDERGRADUATE INSTRUCTION

Part A—Equipment

STATEMENT OF PURPOSE AND AUTHORIZATION OF APPROPRIATIONS

Sec. 601. (a) The purpose of this part is to improve the quality of classroom instruction in selected subject areas in institutions of higher education.

(b) There are hereby authorized to be appropriated $35,000,000 for the fiscal year ending June 30, 1966, $50,000,000 for the fiscal year ending June 30, 1967, $60,000,000 for the fiscal year ending June 30, 1968, $13,000,000 for the fiscal year ending June 30, 1969, and $60,000,000 for each of the succeeding fiscal years ending prior to July 1, 1975, to enable the Commissioner to make grants to institutions of higher education and combinations of institutions of higher education pursuant to this part for the acquisition of equipment and for minor remodeling described in section 603(2)(A).

(c) There are also authorized to be appropriated $2,500,000 for the fiscal year ending June 30, 1966, $10,000,000 for the fiscal year ending June 30, 1967, and for the succeeding fiscal year, $1,500,000 for the fiscal year ending June 30, 1969, and $10,000,000 for each of the succeeding fiscal years ending prior to July 1, 1975, to enable the Commissioner to make grants to institutions of higher education and combinations of institutions of higher education pursuant to this part for the acquisition of television equipment and for minor remodeling described in section 603(2)(B).

(20 U.S.C. 1121) Enacted Nov. 8, 1965, P.L. 89-329, Title VI, sec. 601, 79 Stat. 1261; amended Nov. 3, 1966, P.L. 89-752, sec. 3(5), 80 Stat. 1241; amended Oct 16, 1968, P.L. 90-575; Title II, sec. 241, 242, 82 Stat. 1041; amended June 23, 1972, P.L. 92-318, sec. 151(a), 86 Stat. 288.

ALLOTMENTS TO STATES

Sec. 602. (a)(1) Of the funds appropriated pursuant to subsections (b) and (c) of section 601 for any fiscal year one-half shall be allotted by the Commissioner among the States so that the allotment to each State will be an amount which bears the same ratio to such one-half as the number of students enrolled in institutions of higher education in such State bears to the total number of students enrolled in such institutions in all the States; and the remaining one-half shall be allotted by him among the States in accordance with paragraph (2) of this subsection. For the purposes of this subsection, (A) the number of students enrolled in institutions of higher education shall be deemed to be equal to the sum of (i) the number of ful-time students and (ii) the full-time equivalent of the number of part-time students as determined by the Commissioner in accordance with regulations; and (B) determinations as to enrollment shall be made by the Commissioner on the basis of data for the most recent year for which satisfactory data with respect to such enrollment are available to him.

(2) For the purpose of this paragraph the Commissioner shall allot to each State for each fiscal year an amount which bears the same ratio to the funds being allotted pursuant to this paragraph as the product of—

(A) the number of students enrolled in institutions of higher education in such State, and

(B) the State's allotment ratio.

bears to the sum of the corresponding products for all the States. For the purposes of this paragraph the allotment ratio for any State shall be 1.00 less the product of (i) 0.50 and (ii) the quotient obtained by dividing the income per person for the State by the income per person for all the States (not including Puerto Rico, the Virgin Islands, American Samao, and Guam), except that the allotment ratio shall in no case be less than 0.33⅓ or more than 0.66⅔, and the allotment ratio for Puerto Rico, the Virgin Islands, American Samoa, and Guam shall be 0.66⅔. The allotment ratios shall be promulgated by the Commissioner as soon as possible after enactment of this Act, and annually thereafter, on the basis of the average of the incomes per person of the States and of all the States for the three most recent consecutive calendar years for which satisfactory data are available from the Department of Commerce.

(b)(1) A State allotment under subsection (a) from funds appropriated pursuant to section 601(b) shall be available in accordance with the provisions of this part for payment of the Federal share (as determined under section 604) of the cost of equipment and minor remodeling described in section 602(2)(A).

(2) A State's allotment under subsection (a) from funds appropriated pursuant to section 601(c) shall be available in accordance

with the provisions of this part for payment of the Federal share (as determined under section 604) of the cost of television equipment and minor remodeling described in section 603(2)(B).

(c) Sums allotted to a State for the fiscal year ending June 30, 1966, shall remain available for reservation as provided in section 606 until the close of the next fiscal year, in addition to the sums allotted to such State for such next fiscal year. Sums allotted to a State for the fiscal year ending June 30, 1967, or for any succeeding fiscal year, which are not reserved as provided in section 606 by the close of the fiscal year for which they are allotted, shall be reallotted by the Commissioner, on the basis of such factors as he determines to be equitable and reasonable, among the States which, as determined by the Commissioner, are able to use without delay any amounts so reallotted. Amounts reallotted under this subsection shall be available for reservation until the close of the fiscal year next succeeding the fiscal year for which they were originally allotted.

(20 U.S.C. 1122) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 602, 79 Stat. 1261.

STATE COMMISSIONS AND PLANS

SEC. 603. Any State desiring to participate in the program under this part shall designate for that purpose an existing State agency which is broadly representative of the public and of institutions of higher education in the State, or, if no such State agency exists, shall establish such a State agency, and submit to the Commissioner through the agency so designated or established (hereafter in this part referred to as the "State commission"), a State plan for such participation. The Commissioner shall approve any such plan which—

(1) provides that it shall be administered by the State commission;

(2) set forth, consistently with basic criteria prescribed by regulation pursuant to section 604, objective standards and methods (A) for determining the relative priorities of eligible projects for the acquisition of laboratory and other special equipment (other than supplies consumed in use), including audiovisual materials and equipment for classrooms or audiovisual centers, and printed and published materials (other than textbooks) for classrooms or libraries, suitable for use in providing education in science, mathematics, foreign languages, history, geography, government, English, other humanities, the arts, or education at the undergraduate level in institutions of higher education, and minor remodeling of classroom or other space used for such materials or equipment; (B) for determining relative priorities of eligible projects for (i) the acquisition of television equipment for closed-circuit direct instruction in such fields in such institutions (including equipment for fixed service instructional television, as defined by the Federal Communications Commission, but not including broadcast transmission equipment), (ii) the acquisition of necessary instructional materials for use in such television instruction, and (iii) minor remodeling necessary for such television equipment; and (C) for determining the Federal share of the cost of each such project;

(3) provides (A) for assigning priorities solely on the basis of such criteria, standards, and methods to eligible projects submitted to the State commission and deemed by it to be otherwise approvable under the provisions of this part; and (B) for approving and recommending to the Commissioner, in the order of such priority, applications covering such eligible projects, and for certifying to the Commissioner the Federal share, determined by the State commission under the State plan, of the cost of the project involved;

(4) provides for affording to every applicant, which has submitted to the State commission a project, an opportunity for a fair hearing before the commission as to the priority assigned to such project or as to any other determination of the commission adversely affecting such applicant; and

(5) provides (A) for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State commission under this part, and (B) for the making of such reports, in such form and containing such information, as may be reasonably necessary to enable the Commissioner to perform his functions under this part.

(20 U.S.C. 1123) Enacted Nov. 8, 1965, P.L. 89-329, Title VI, sec. 603, 79 Stat. 1262.

BASIC CRITERIA FOR DETERMINING PRIORITIES, FEDERAL SHARE, AND MAINTENANCE OF EFFORT

SEC. 604. (a) As soon as practicable after the enactment of this Act the Commissioner shall by regulation prescribe basic criteria to which the provisions of State plans setting forth standards and methods for determining relative priorities of elegible projects, and the application of such standards and methods to such projects under such plans, shall be subject. Such basic criteria (1) shall be such as will best tend to achieve the objectives of this part while leaving opportunity and flexibility for the development of State plans standards and methods that will best accommodate the varied needs of institutions in the several States, and (2) shall give special consideration to the financial need of the institution or combination of institutions of higher education. Subject to the foregoing requirements, such regulations may establish additional and appropriate basic criteria, including provision for considering the degree to which applicants are effectively utilizing existing facilities and equipment, provision for allowing State plans to group or provide for grouping, in a reasonable manner, facilities or institutions according to functional or educational type for priority purposes, and, in view of the national objectives of this Act, provision for considering the degree to which the institution serves students from two or more States or from outside the United States; and in no event shall an institution's readiness to admit such out-of-State students be considered as a priority factor adverse to such institution.

(b) The Federal share for the purposes of this part shall not exceed 50 per centum of the cost of the project, except that a State commission may increase such share to not exceed 80 per centum of such cost in the case of any institution or combination of institutions of higher education providing insufficient resources to participate in the program under this part and inability to acquire such resources. An institution of higher education shall be eligible for a grant for a project pursuant to this part in any fiscal year only if such institution will expend from current funds for instructional and library purposes, other than personnel costs, during such fiscal year an amount not less than the amount expended by such institution from current funds for such purposes during the previous fiscal year. A combination of institutions of higher education shall be eligible for such a grant in accordance with regulations of the Commissioner prescribing requirements for maintenance of effort. The Commissioner shall establish basic criteria for making determinations under this subsection.

(20 U.S.C. 1124) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 604, 79 Stat. 1263; amended Nov. 3, 1966, P.L. 89–752, sec. 14, 80 Stat. 1244; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 242, 82 Stat. 1041.

APPLICATIONS FOR GRANTS AND CONDITIONS FOR APPROVAL

Sec. 605. (a) Institutions of higher education and combinations of institutions of higher education which desire to obtain grants under this part shall submit applications therefor at such time or times and in such manner as may be prescribed by the Commissioner, and such applications shall contain such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to make the determinations required to be made by him under this part.

(b) The Commissioner shall approve an application covering a project under this part and meeting the requirements prescribed pursuant to subsection (a) if—

(1) the project has been approved and recommended by the appropriate State commission;

(2) the State commission has certified to the Commissioner, in accordance with the State plan, the Federal share of the cost of the project, and sufficient funds to pay such Federal share are available from the applicable allotment of the State (including any applicable reallotment to the State);

(3) the project has, pursuant to the State plan, been assigned a priority that is higher than that of all other projects within such State (chargeable to the same allotment) which meet all the requirements of this section (other than this clause) and for which Federal funds have not been reserved;

(4) the Commissioner determines that the project will be undertaken in an economical manner and will not be overly elaborate or extravagant; and

(5) the Commissioner determines that the application contains or is supported by satisfactory assurances—

(A) that Federal funds received by the applicant will be used solely for defraying the cost of the project covered by such application,

(B) that sufficient funds will be available to meet the non-Federal portion of such cost and to provide for the effective use of the equipment upon completion, and

(C) that the applicant will meet the maintenance of effort requirement in section 604(b).

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulation, be subject to approval in the same manner as original applications.

(20 U.S.C. 1125) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 605, 79 Stat. 1264; amended Oct. 16, 1968; P.L. 90–575, Title II, sec. 242, 82 Stat. 1041.

AMOUNT OF GRANT—PAYMENT

SEC. 606. Upon his approval of any application for a grant under this part, the Commissioner shall reserve from the applicable allotment (including any applicable reallotment) available therefor, the amount of such grant, which (subject to the limits of such allotment or reallotment) shall be equal to the Federal share of the cost of the project covered by such application. The Commissioner shall pay such reserved amount, in advance or by way of reimbursement, and in such installments as he may determine. The Commissioner's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application covering such project or upon revision of the estimated cost of a project with respect to which such reservation was made, and in the event of an upward revision of such estimated cost approved by him he may reserve the Federal share of the added cost only from the applicable allotment (or reallotment) available at the time of such approval.

(20 U.S.C. 1126) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 606, 79 Stat. 1265.

ADMINISTRATION OF STATE PLANS

SEC. 607. (a) The Commissioner shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State commission submitting the plan reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State commission administering a State plan approved under this part, finds—

(1) that the State plan has been so changed that it no longer complies with the provisions of section 603, or

(2) that in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State commission that the State will not be regarded as eligible to participate in the program under this part until he is satisfied that there is no longer any such failure to comply.

(20 U.S.C. 1127) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 607, 79 Stat. 1265.

JUDICIAL REVIEW

SEC. 608. (a) If any State is dissatified with the Commissioner's final action with respect to the approval of its State plan submitted under this part or with his final action under section 607, such State may appeal to the United States court of appeals for the circuit in which such State is located. The summons and notice of appeal may be served at any place in the United States. The Commissioner shall forthwith certify and file in the court the transcript of the proceedings and the record on which he based his action.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify previous action, and shall certify to the court the transcript and record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

(20 U.S.C. 1128) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 608, 79 Stat. 1265.

LIMITATION ON PAYMENTS

SEC. 609. No grant may be made under this part for equipment or materials to be used for sectarian instruction or religious worship, or primarily in connection with any part of the program of a school or department of divinity.

(20 U.S.C. 1129) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 609, 79 Stat. 1266; amended June 23, 1972, P.L. 92–318, sec. 131(d)(2), 86 Stat. 260.

CONSULTATION

SEC. 610. So as to promote the coordination of Federal programs providing assistance in the purchase of laboratory or other special equipment for education in the natural or physical sciences, the Commissioner shall consult with the National Science Foundation and other agencies in developing general policy, under this title, in respect thereof.

(20 U.S.C. 1129a) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 243, 82 Stat. 1041.

PART B—DEVELOPMENT PROGRAMS

INSTITUTES AUTHORIZED

SEC. 621. (a) There are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1966, and for each of the two succeeding fiscal years, to enable the Commissioner to arrange, through grants or contracts, with institutions of higher education for the operation by them of short-term workshops or short-term or regular-session institutes for individuals (1) who are engaged in, or preparing to engage in, the use of educational media equipment in teaching in institutions of higher education, or (2) who are, or preparing to be, in institutions of higher education, specialists in educational media or librarians or other specialists using such media.

(b) For the fiscal year ending June 30, 1969, and for the succeeding fiscal year, there may be appropriated for the purposes of this part, only such sums as the Congress may hereafter authorize by law.

(20 U.S.C. 1131) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 621, 79 Stat. 1265.

STIPENDS

SEC. 622. Each individual who attends an institute operated under the provisions of this part shall be eligible (after application therefor) to receive a stipend at the rate of $75 per week for the period of his attendance at such institute and each such individual with one or more dependents shall receive an additional stipend at the rate of $15 per week for each dependent. No stipends shall be paid for attendance at workshops.

(20 U.S.C. 1132) Enacted Nov. 8, 1965, P.L. 89-329, Title VI, sec. 622, 79 Stat. 1266.

TITLE VII—CONSTRUCTION OF ACADEMIC FACILITIES [1]

PART A—GRANTS FOR THE CONSTRUCTION OF UNDERGRADUATE ACADEMIC FACILITIES

AUTHORIZATION OF APPROPRIATIONS

SEC. 701. (a) The Commissioner shall carry out a program of grants to institutions of higher education for the construction of academic facilities in accordance with this part.

(b) For the purpose of making grants under this part, there are hereby authorized to be appropriated $50,000,000, for the fiscal year ending June 30, 1972, $200,000,000 for the fiscal year ending June 30, 1973, and $300,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975.

(c) Of the sums appropriated pursuant to section 701(b), 24 per centum shall be reserved by the Commissioner and allotted among the States under section 702. The remainder of such sums shall be available for allotment among the States under section 703.

(20 U.S.C. 1132a) Enacted June 23, 1972, P.L. 92-318, sec. 161, 86 Stat. 288.

PUBLIC COMMUNITY COLLEGES AND PUBLIC TECHNICAL INSTITUTES

SEC. 702. (a) Sums reserved pursuant to the first sentence of section 701(c) shall be available for allotments to States for providing academic facilities for public community colleges and public technical institutes.

(b) From the sums available for any fiscal year for the purposes of this section, the Commissioner shall allot to each State an amount which bears the same ratio to such sums as the product of—

(1) the number of high school graduates of the State, and
(2) the State's allotment ratio,

bears to the sum of the corresponding products for all the States. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000.

---

[1] This authority contains provisions previously authorized by the Higher Education Facilities Act of 1963. Sec. 161(b)(1) of P.L. 92-318 provides as follows:
"(b)(1) The programs authorized by title VII of the Higher Education Act of 1965 shall be deemed to be a continuation of the comparable programs authorized by the Higher Education Facilities Act of 1963."

(c)(1)[1] From the sums available for any fiscal year for amount allotted to a State under this section shall be available for the payment of the Federal share of the development cost of approved projects for the construction of academic facilities within such State for public community colleges and public technical institutes.

(2) Any portion of a State's allotment under this section for any fiscal year for which applications from an institution qualified to receive grants under this section have not been received prior to January 1 of such fiscal year by the State Commission created or designated pursuant to section 1202 shall, if the State Commission so requests, be available for payment of the Federal share of the development cost of approved projects under section 703.

(d) All amounts allotted under this section for any fiscal year which are not reserved as provided in section 701(c) by the close of the fiscal year for which they are allotted shall be reallotted by the Commissioner, on the basis of such factors as he determines to be equitable and reasonable, among the States which, as determined by the Commissioner, are able to use without delay any amounts so reallotted for the purpose set forth in subsection (c)(1). Amounts reallotted under this subsection shall be available for reservation until the close of the fiscal year next succeeding the fiscal year for which they were originally allotted.

(a) For the purposes of clause (2) of subsection (b), the "allotment ratio" for any State shall be 1.00 less the product of (A) 0.50 and (B) the quotient obtained by dividing the income per person for the State by the income per person for all the States (not including Puerto Rico, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and Guam), except that (i) the allotment ratio shall in no case be less than 0.33⅓ or more than 0.66⅔, (ii) the allotment ratio for Puerto Rico, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and Guam shall be 0.66⅔, and (iii) the allotment ratio of any State shall be 0.50 for any fiscal year if the Commissioner finds that the cost of school construction in such State exceeds twice the median of such costs in all the States as determined by him on the basis of statistics and data as the Commissioner shall deem adequate and appropriate. The allotment ratios shall be promulgated by the Commissioner as soon as possible after June 30, 1972, and annually thereafter, on the basis of the average of the incomes per person of the State and of all the States for the three most recent consecutive calendar years for which satisfactory data are available from the Department of Commerce.

(f) For the purpose of this section, the term "high school graduate" means a person who has received formal recognition (by diploma, certificate, or similar means) from an approved school for successful completion of four years of education beyond the first eight years of schoolwork, or for demonstration of equivalent achievement. For the purposes of this section the number of high school graduates shall be limited to the number who graduated in the most recent school year for which satisfactory data are available from the Department of Health, Education, and Welfare. The interpretation of the definition of "high school graduate" shall fall within the authority of the Commissioner.

---

[1] Apparent error in P.L. 92–318. This sentence should read: "Except as is provided in paragraph (2), the amount allotted to a State under this section shall be available for the payment of the Federal share of the development cost of approved projects for the construction of academic facilities within such State for public community colleges and public technical institutes."

(20 U.S.C. 1132a-1) Enacted June 23, 1972, P.L. 92-318, sec. 161, 86 Stat. 288, 289.

INSTITUTIONS OF HIGHER EDUCATION OTHER THAN PUBLIC COMMUNITY COLLEGES AND PUBLIC TECHNICAL INSTITUTES

SEC. 703. (a) Sums appropriated pursuant to section 701(b) which remain after the reservation provided for in the first sentence of section 701(c) for any fiscal year shall be available for allotments to States for providing academic facilities for institutions of higher education other than institutions eligible for grants under section 702.

(b) Sums available for the purposes of this section for any fiscal year shall be allotted among the States as follows:

(1) The Commissioner shall allot to each State an amount which bears the same ratio to 50 per centum of such sums as the number of students enrolled in institutions of higher education in such States bears to the number of students so enrolled in all the States; and

(2) The Commissioner shall allot to each State an amount which bears the same ratio to 50 per centum of such sums as the number of students enrolled in grades nine through twelve (both inclusive) of schools in such State bears to the total number of students so enrolled in all the States. For the purposes of this subsection (A) the number of students enrolled in institutions of higher education shall be deemed to be equal to the sum of (i) the number of full-time students and (ii) the full-time equivalent of the number of part-time students as determined by the Commissioner in accordance with regulations; and (B) determinations as to enrollment under either clause (1) or clause (2) shall be made by the Commissioner on the basis of data for the most recent year for which satisfactory data with respect to such enrollment are available to him.

The amount allotted to any State under the preceding sentence for any fiscal year shall not be less than $50,000.

(c)(1) Any amount allotted to a State under this section for any fiscal year shall, except as provided in paragraph (2), be available, in accordance with the provisions of this title, or payment of the Federal share of the development cost of approved projects for the construction of academic facilities within such State for institutions of higher education which are not eligible for grants under section 702.

(2) Any portion of a State's allotment under this section for any fiscal year for which applications from an institution qualified to receive grants under this section have not been received by the State Commission prior to January 1 of such fiscal year, shall, if the State Commission so requests, be available for payment of the Federal share of the development cost of approved projects under section 702.

(d) All amounts allotted under this section for any fiscal year, which are not reserved by the close of the fiscal year for which they are allotted, shall be reallotted by the Commissioner, on the basis of such factors as he determines to be equitable and reasonable, among the States which, as determined by the Commissioner, are able to use without delay any amounts so reallotted for the purposes of this section. Amounts reallotted under this subsection shall be available for reservation until the close of the fiscal year next succeeding the fiscal year for which they were originally allotted.

(20 U.S.C. 1132a-2) Enacted June 23, 1972, P.L. 92-318, sec. 161, 86 Stat. 290.

STATE PLANS

SEC. 704. (a) Any State desiring to participate in the grant program authorized by this part for any fiscal year shall submit for that year to the Commissioner through the State Commission a State plan for such participation. Such plan shall be submitted at such time, in such manner, and containing such information as may be necessary to enable the Commissioner to carry out his functions under this part and shall—

(1) provide that it shall be administered by the State Commission;

(2) set forth objective standards and methods which are consistent with basic criteria prescribed by regulations pursuant to section 706, for—

(A) determining the relative priorities of eligible projects submitted by institutions of higher education within the State for the construction of academic facilities, and

(B) determining the Federal share of the development cost of each such project;

(3) provide that the funds apportioned for any fiscal year under section 702 or 703 shall be used only for the purposes set forth therein;

(4) provide for—

(A) assigning priorities solely on the basis of such criteria, standards, and methods to eligible projects submitted to the State Commission and found by it otherwise approvable under the provisions of this part, and

(B) approving and recommending to the Commissioner, in the order of such priority, applications covering such eligible projects, and for certifying to the Commissioner the Federal share of the development cost of the project involved;

(5) provide for affording to every applicant which has submitted a project to the State Commission an opportunity for a fair hearing before the State Commission as to the priority assigned to such project, or as to any other determination of the State Commission adversely affecting such applicant; and

(6) provide for—

(A) such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State Commission under this part, and

(B) making such reports, in such form and containing such information, as may be reasonably necessary to enable the Commissioner to perform his functions under this part.

(b) The Commissioner shall approve any State plan submitted under this section if he determines that it complies with the provisions of this section and other appropriate provisions of this title.

(20 U.S.C. 1132a-3) Enacted June 23, 1972, P.L. 92-318, sec. 161, 86 Stat. 290, 291.

ELIGIBILITY FOR GRANTS

SEC. 705. (a) Except as is provided in subsection (b), an institution of higher education shall be eligible for a grant under this part only if the State Commission determines, in accordance with criteria prescribed by regulation, that the construction project for which assistance is sought will, either alone or together with other construction to be undertaken within a reasonable time, result in—

(1) a substantial expansion of, or

(2) in the case of a new institution, the creation of,

urgently needed (A) enrollment capacity, (B) the capacity to provide health care for students and institutional personnel, or (C) capacity to carry out extension and continuing education programs on the campus of such institution.

(b) If the Commissioner determines, in accordance with criteria established by regulation, that the student enrollment capacity of an institution of higher education would decrease if an urgently needed academic facility is not constructed, the construction of such a facility may be considered, for the purposes of this section, to result in an expansion of the institution's student enrollment capacity.

(20 U.S.C. 1132a-4) Enacted June 23, 1972, P.L. 92-318, sec. 161, 86 Stat. 291, 292.

BASIC CRITERIA FOR DETERMINING PRIORITIES AND FEDERAL SHARE

SEC. 706. (a)(1) The Commissioner shall, by regulation, prescribe basic criteria to which the provisions of State plans, setting forth standards and methods for determining relative priorities of eligible construction projects, and the application of such standards and methods to such projects under such plans, shall be subject.

(2) Such basic criteria shall, at least—

(A) be such as will best tend to achieve the objectives of this part, while leaving opportunity and flexibility to State Commissions for the development of State plan standards and methods that will best accommodate the varied needs of institutions in the several States;

(B) give special consideration to the expansion of undergraduate enrollment capacity; and

(C) give consideration to the expansion of capacity to provide needed health care to students and institutional personnel.

(3) Subject to paragraph (2), such regulations may establish additional and appropriate basic criteria, including—

(A) provision for considering the degree to which applicant institutions are effectively utilizing existing facilities;

(B) provision for allowing State plans to group, or to allow grouping, in a reasonable manner, facilities or institutions according to functional or educational type for priority purposes; and

(C) in view of the national objectives of this title, provision for considering the degree to which applicant institutions serve students from two or more States or from outside the United States.

(4) In no event shall such basic criteria permit the readiness of an institution to admit out-of-State students to be considered as a priority adverse to such institution.

(b)(1) The Commissioner shall prescribe, by regulation, the base criteria for determining the Federal share of the development cost of any eligible project under this part within a State, to which criteria the applicable standards and methods set forth in the State plan for such State shall conform.

(2) In no case shall such basic criteria permit the Federal Share to exceed 50 per centum of the development cost of a project.

(c) Section 553 of title 5, United States Code, shall apply to the prescription of regulations under this section, notwithstanding clause (2) of subsection (a) thereof.

(20 U.S.C. 1132a-5) Enacted June 23, 1972, P.L. 92-318, sec. 161, 86 Stat. 292.

APPLICATIONS FOR GRANTS; AMOUNT OF GRANTS

SEC. 707. (a)(1) Any institution of higher education which desires to receive a grant under this part shall submit an application therefor at such time or times, in such manner, and containing such information as the Commissioner shall prescribe by regulation.

(2) The Commissioner shall approve an application for a construction project under this part if he determines that—

(A) it meets the requirements prescribed under paragraph (1);

(B) the project for which assistance is sought is an eligible project under section 705;

(C) such project has been submitted through, and been approved and recommended by, the appropriate State Commission;

(D) such State Commission has certified to the Commissioner, in accordance with the State plan, the Feedral share of the development cost of the project, and sufficient funds to pay such Federal share are available from the applicable apportionment of the State;

(E) such project has, pursuant to the State plan, been assigned a priority that is higher than that assigned to all other projects within the State which are chargeable to the same apportionment, and meet the requirements of this section, and for which Federal funds have not yet been reserved;

(F) the construction to be carried out under the application will be undertaken in a timely and economic manner and will not be of elaborate or extravagant design or materials;

(G) in the case of a student health care facility, no assistance will be provided for such facility under title IV of the Housing Act of 1950; and

(H) the application contains assurances or is supported by satisfactory assurances—

(i) that the title to the site is in accordance with regulations of the Commissioner relating thereto,

(ii) that Federal funds received by the applicant will be solely used for defraying the development cost of the project covered by the application,

(iii) that sufficient funds will be available to meet the non-Federal portion of such cost and to provide for the effective use of the academic facility upon completion, and

(iv) that the facility will be used as an academic facility for at least the period of the Federal interest therein, as provided in section 781.

(b) Amendments to applications submitted under this section shall, except as the Commissioner may otherwise provide by regulations, be subject to approval in the same manner as original applications.

(c) (1) Upon his approval of any application under this section, the Commissioner shall reserve from the applicable allotment available therefor, the amount of such grant, which shall be equal to the Federal share of the development cost of the project covered by the application. The Commissioner shall pay such reserved amount, in advance or by way of reimbursement, and in such installments consistent with construction progress, as he may determine.

(2) Upon approval of an amendment of an application, or revision of the estimated development cost of a project, for which there has been a reservation made under paragraph (1), the Commissioner may adjust the amount so reserved, accordingly. If an adjustment under the first sentence of this paragraph results in a greater amount being reserved, he may reserve the Federal share of the added cost only from the applicable allotment available at the time of such approval.

(20 U.S.C. 1132a–6) Enacted June 23, 1972, P.L. 92–318, sec. 161, 86 Stat. 292, 293.

ADMINISTRATION OF STATE PLANS; JUDICAL REVIEW

SEC. 708. (a) (1) The Commissioner shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State Commission submitting the plan reasonable notice and opportunity for a hearing.

(2) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State Commission administering a State plan approved under this part, finds—

(A) that the State plan has been so changed that it no longer complies with the provisions of section 704, or

(B) that in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State Commission that the State will not be regarded as eligible to participate in the program under this part until he is satisfied that there is no longer such failure to comply.

(b) (1) If any State is dissatified with the Commissioner's final action with respect to the approval of its State plan submitted under section 704, or with his final action under subsection (a), such State may appeal to the United States court of appeals for the circuit in which such State is located. The summons and notice of appeal may be served at any place in the United States. The Commissioner shall forthwith certify and file in the court the transcript of the proceedings and the record on which he based his action.

(2) The findings of fact by the Commissioner if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the transcript and record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(3) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

(20 U.S.C. 1132a–7) **Enacted June 23, 1972, P.L. 92–318, sec. 161, 86 Stat. 293, 294.**

PART B—GRANTS FOR CONSTRUCTION OF GRADUATE ACADEMIC FACILITIES

AUTHORIZATION

SEC. 721. (a) The Commissioner shall carry out a program of making grants to institutions of higher education to assist them in improving existing graduate schools and cooperative graduate centers, and in establishing graduate schools and cooperative graduate centers of excellence, in order to increase the supply of highly qualified personnel needed by communities, industries, and governments and for teaching and research.

(b) For the purpose of making grants under this part, there are authorized to be appropriated $20,000,000 for the fiscal year ending June 30, 1972, $40,000,000 for the fiscal year ending June 30, 1973, $60,000,000 for the fiscal year ending June 30, 1974, and $80,000,000 for the fiscal year ending June 30, 1975.

(20 U.S.C. 1132a–7) **Enacted June 23, 1972, P.L. 92–318, sec. 161, 86 Stat. 293,**

APPLICATION FOR, AND AMOUNT OF, GRANTS

SEC. 722. (a)(1) Any institution of higher education desiring to receive a grant under this part shall submit an application therefor at such time, in such manner, and containing such information as the Commissioner may require.

(2) In determining whether to approve applications under this section, the order in which to approve such applications, and the amount of grants, the Commissioner shall give consideration to the extent to which the projects for which assistance is sought will contribute toward achieving the objectives of this part, and the extent to which they will aid in attaining a wider distribution of graduate schools and cooperative graduate centers throughout the States. In no case shall the total of the payments from appropriations for any fiscal year pursuant to section 721 made with respect to projects in any State exceed an amount equal to 12½ per centum of such appropriations.

(3) For the purposes of this section, the term "institution of higher education" includes cooperative graduate center boards.

(b) The Commissioner shall not approve any application under this section until he has obtained the advice and recommendations of a panel of specialists who are not regular full-time employees of the Federal Government and who are competent to evaluate such application.

(c) No grant under this part may be in an amount in excess of 50 per centum of the development cost of the project covered by the application.

(20 U.S.C. 1132b–1) Enacted June 3, 1972, P.L. 92–318, sec. 161, 86 Stat. 294, 295.

Part C—Loans for Construction of Academic Facilities

AUTHORIZATION

Sec. 741. (a)(1) The Commissioner shall carry out a program of making and insuring loans, in accordance with the provisions of this part.

(2) The Commissioner is authorized to make loans to institutions of higher education and to higher education building agencies for the construction of academic facilities and to insure loans.

(b) For the purpose of making payments into the fund established under section 744, there are hereby authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1972, $100,000,000 for the fiscal year ending June 30, 1973, $150,000,000 for the fiscal year ending June 30, 1974, and $200,000,000 for the fiscal year ending June 30, 1975. Sums appropriated pursuant to this subsection for any fiscal year shall be available without fiscal year limitations.

(20 U.S.C. 1132c) Enacted June 23, 1972, P.L. 92–318, sec. 161, 86 Stat. 295.

ELIGIBILITY CONDITIONS, AMOUNTS, AND TERMS OF LOANS

Sec. 742. (a) No loan pursuant to this part shall be made unless the Commissioner finds (1) that not less than 20 per centum of the development cost of the faciilty will be financed from non-Federal sources, (2) that the applicant is unable to secure the amount of such loan from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this part, (3) that the construction will be undertaken in an economical manner and that it will not be of elaborate or extravagant design or materials, and (4) that, in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, no financial assistance will be provided such project under title IV of the Housing Act of 1950.

(b) A loan pursuant to this part shall be secured in such manner and shall be repaid within such period not exceeding fifty years, as may be determined by the Commissioner; and it shall bear interest at (1) a rate determined by the Commissioner which shall not be less than a per annum rate that is one-quarter of 1 percentage point above the average annual interest rate on all interest-bearing obligations of the United States forming a part of the public debt as computed at the end of the preceding fiscal year, adjusted to the nearest one-eighth of 1 per centum, or (2) the rate of 3 per centum per annum, whichever is the lesser.

(20 U.S.C. 1132c–1) Enacted June 23, 1972, P.L. 92–318, sec. 161, 86 Stat. 295.

GENERAL PROVISION FOR LOAN PROGRAM

SEC. 743. (a) Financial transactions of the Commissioner under this part, except with respect to administrative expenses, shall be final and conclusive on all officers of the Government and shall not be reviewable by any court.

(b) In the performance of, and with respect to, the functions, powers, and duties vested in him by this part, the Commissioner may—

(1) prescribe such rules and regulations as may be necessary to carry out the purposes of this part;

(2) sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this part without regard to the amount in controversy, and any action instituted under this subsection by or against the Commissioner shall survive notwithstanding any change in the person occupying the office of the Commissioner or any vacancy in such office; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Commissioner or property under his control, and nothing herein shall be construed to except litigation arising out of activities under this part from the application of sections 507(b) and 517 and 2679 of title 28, United States Code;

(3) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any property in connection with which he has made a loan pursuant to this part; and, in the event of any such acquisition (and notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real property by the United States), complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property; except that (1) such action shall not preclude any other action by him to recover any deficiency in the amounts loaned and (2) any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

(4) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

(5) subject to the specific limitations in this part, consent to the modification, with respect to the rate of interest, time of payment of any installment of principal or interest, security, or any other term of any contract or agreement to which he is a party or which has been transferred to him pursuant to this section; and

(6) include in any contract or instrument made pursuant to this part such other covenants, conditions, or provisions (including provisions designed to assure against use of the facility, constructed with the aid of a loan under this part, for purposes described in section 782(1)), as he may deem necessary to assure that the purpose of this part will be achieved.

(20 U.S.C. 1132c-[illegible]) Enacted June 23, 1972, P.L. 92–318, sec. 161, 86 Stat. 296.

REVOLVING LOAN FUND AND INSURANCE FUND [1]

SEC. 744. (a) There is hereby created within the Treasury a separate fund for higher education academic facilities loans and loan insurance (hereafter in this section called the "fund") which shall be available to the Commissioner without fiscal year limitation as a revolving fund for the purposes of making loans and insuring loans under this part. The total of any loans made from the fund in any fiscal year shall not exceed limitations specified in appropriation acts.

(b)(1) The Commissioner shall transfer to the fund available appropriations provided under section 741(b) to provide capital for the fund. All amounts received by the Commissioner as interest payments or repayments of principal on loans, and any other moneys, property, or assets derived by him from his operations in connection with this part, including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets of the fund, shall be deposited in the fund.

(2) All loans, expenses, and payments pursuant to operations of the Commissioner under this part shall be paid from the fund, including (but not limited to) expenses and payments of the Commissioner in connection with sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this part. From time to time, and at least at the close of each fiscal year, the Commissioner shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this part or available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Commissioner determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

(20 U.S.C. 1132c-3) Enacted June 23, 1972, P.L. 92-318, sec. 161, 86 Stat. 296, 297.

ANNUAL INTEREST GRANTS

SEC. 745. (a) To assist institutions of higher education and higher education building agencies to reduce the cost of borrowing from other sources for the construction of academic facilities, the Commissioner may make annual interest grants to such institutions and agencies.

---

[1] Sec. 161(b)(4) of P.L. 92-318 provides as follows:

"(4) The revolving fund created by section 744 of the Higher Education Act of 1965 shall be deemed to be a continuation of the revolving fund created by section 305 of the Higher Education Facilities Act of 1963. Any sums in the fund for higher education academic facilities created by such section 305 on the date of enactment of this Act shall be transferred to the fund created by section 744 of the Higher Education Act of 1965, and all such funds shall be deemed to have been made available for such fund. Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this sentence, any sums appropriated pursuant to section 303(c) of the Higher Education Facilities Act of 1963 for any fiscal year ending prior to July 1, 1973, which have not been loaned under title III of that Act of 1963 shall be deemed to have been appropriated pursuant to section 741(b) of the Higher Education Act of 1965 for the fiscal year ending June 30, 1973."

(b) Annual interest grants to an institution of higher education or higher education building agency with respect to any academic facility shall be made over a fixed period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount not greater than the difference between (1) the average annual debt service which would be required to be paid, during the life of the loan, on the amount borrowed from other sources for the construction of such facilities, and (2) the average annual debt service which the institution would have been required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were the maximum rate specified in section 744(b)(2). The amount on which such grant is based shall be approved by the Secretary.

(c)(1) There are hereby authorized to be appropriated to the Commissioner such sums as may be necessary for the payment of annual interest grants to institutions of higher education and higher education building agencies in accordance with this section.

(2) Contracts for annual interest grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual interest grants which may be paid to institutions of higher education and higher education building agencies in any year pursuant to contracts entered into under this section shall not exceed $5,000,000 which amount shall be increased by $6,750,000 on July 1, 1969, and by $13,500,000 on July 1, 1970 and on July 1 of each of the four succeeding years.

(d) Not more than 12½ per centum of the funds provided for in this section for grants may be used within any one State.

(e) No annual interest grant pursuant to this section shall be made unless the Commissioner finds (1) that not less than 10 per centum of the development costs of the facility will be financed from non-Federal sources, (2) that the applicant is unable to secure a loan in the amount of the loan with respect to which the annual interest grant is to be made, from the other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this title, and (3) that the construction will be undertaken in an economical manner and that it will not be of elaborate or extravagant design or materials. For purposes of this section, a loan with respect to which an interest grant is made under this section shall not be considered financing from a non-Federal source. For purposes of the other provisions of this title, such a loan shall be considered financing from a non-Federal source.

(20 U.S.C. 1132c–4) Enacted June 23, 1972, P.L. 92–318, sec. 161, 86 Stat. 297, 298.

ACADEMIC FACILITIES LOAN INSURANCE

SEC. 746. (a)(1) In order to assist nonprofit private institutions of higher education and nonprofit private higher education building agencies to procure loans for the construction of academic facilities, the Commissioner may insure the payment of interest and principal on such loans if such institutions and agencies meet, with respect to such loans, criteria prescribed by or under section 745 for the making of annual interest grants under such section.

(2) No loan insurance under paragraph (1) may apply to so much of the principal amount of any loan as exceeds 90 per centum of the development cost of the academic facility with respect to which such loan was made.

(b)(1) The United States shall be entitled to recover from any institution or agency to which loan insurance has been issued under this section the amount of any payment made pursuant to that insurance, unless the Commissioner for good cause waives its right of recovery. Upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payment with respect to which the payment was made.

(2) Any insurance issued by the Commissioner pursuant to subsection (a) shall be incontestable in the hands of the institution or agency on whose behalf such insurance is issued, and as to any agency, organization, or individual who makes or contracts to make a loan to such institution or agency, in reliance thereon, except for fraud or misrepresentation on the part of such institution or agency or on the part of the agency, organization, or individual who makes or contracts to make such loan.

(c) Insurance may be issued by the Commissioner under subsection (a) only if he determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Commissioner determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States. The Commissioner may charge a premium for such insurance in an amount reasonably determined by him to be necessary to cover administrative expenses and probable losses under subsections (a) and (b). Such insurance shall be subject to such further terms and conditions as the Commisioner determines to be necessary.

(20 U.S.C. 1132c–5) Enacted June 23, 1972, P.L. 92–318, sec. 161, 86 Stat. 298, 299.

PART D—ASSISTANCE IN MAJOR DISASTER AREAS

AUTHORIZATION

SEC. 761. (a) The Commissioner shall carry out a program of financial assistance to public institutions of higher education, in accordance with the provisions of this part.

(b) There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this part.

(20 U.S.C. 1132d) Enacted June 23, 1972, P.L. 92–318, sec. 161, 86 Stat. 299.

ASSISTANCE FOR CONSTRUCTION OF ACADEMIC FACILITIES

SEC. 762. (a) If the Director of the Office of Emergency Planning[1] determines that a public institution of higher education is, in whole or in part, within an area which, after June 30, 1971, and before July 1, 1975, has suffered a disaster which is a major disaster, and if the Commissioner determines with respect to such institution that—

(1) the academic facilities of such institution have been destroyed or seriously damaged as a result of the disaster;

(2) such institution is exercising due diligence in availing itself of State and other financial assistance available for restoration or replacement of such facilities; and

(3) the institution does not have sufficient funds available from such other sources, including proceeds of insurance on the facilities, to provide for the restoration or replacement of such facilities;

the Commissioner is authorized to provide such assistance to such institution as is provided in subsection (b).

(b)(1) Assistance under this section shall be a grant to an eligible institution, as determined under subsection (a), of an amount necessary to enable the institution to carry out the construction necessary to restore or replace the academic facilities determined under clause (1) of subsection (a) to be damaged or destroyed.

(2) The maximum amount of a grant under this section shall not exceed the cost of construction incident to the restoration or replacement of the facilities determined to be damaged or destroyed under clause (1) of subsection (a) less the amount of additional assistance determined under clause (3) of subsection (a) to be available.

(c)(1) Assistance under this section may include a grant of an amount necessary to enable the institution to lease, or otherwise obtain the use of, such facilities as are needed to replace, temporarily, facilities which have been made unavailable as a result of a major disaster.

(2) An institution shall be eligible for assistance under this subsection if it qualifies for assistance under subsection (a), whether or not it receives assistance under subsection (b).

(20 U.S.C. 1132d–1) Enacted June 23, 1972, P.L. 92–318, sec. 161, 86 Stat. 299.

EQUIPMENT AND SUPPLIES

SEC. 763. If an institution is eligible for assistance under section 762(a), the Commissioner is authorized, whether or not such institution receives assistance under section 762(b), to make a grant to such institution of not in excess of an amount he determines necessary to replace equipment, maintenance supplies, and instructional supplies (including books, and curricular and program materials) destroyed or seriously damaged as a result of the major disaster.

(20 U.S.C. 1132d–2) Enacted June 23, 1972, P.L. 92–318, sec.161, 86 Stat. 300.

---

[1] **Apparent error. Should be Office of Emergency Preparedness.**

REPAYABLE ASSISTANCE IN LIEU OF A GRANT

Sec. 764. If the Commissioner's determinations under clauses (2) and (3) of section 762(a) indicate that financial resources will become available to an institution otherwise qualified for assistance under section 762 at some future date or dates, he is authorized, subject to such terms and conditions as may be in the public interest, to extend assistance to such institution under section 762(b), 762(c), or 763 (or all such sections) with an agreement with such institution which provides that the institution will repay part or all of the funds received by it under this part.

(20 U.S.C. 1132d–3) Enacted June 23, 1972, P.L. 92–318, sec.161, 86 Stat. 300.

APPLICATIONS

Sec. 765. No payment may be made to a public institution of higher education for academic facilities under section 762 or for assistance under section 763 unless an application therefor is submitted through the appropriate State Commission and is filed with the Commissioner in accordance with regulations prescribed by him. In determining the order in which such applications shall be approved, the Commissioner shall consider the relative educational and financial needs of the institutions which have submitted approvable applications. No payment may be made under section 762(b) unless the Commissioner finds after consultation with the State Commission, that the project or projects with respect to which it is made are not inconsistent with overall State plans, submitted under section 704(a), for the construction of academic facilities. All determinations made by the Commissioner under this part shall be made only after consultation with the appropriate State Commission.

(20 U.S.C. 1132d–4) Enacted June 23, 1972, P.L. 92–318, sec.161, 86 Stat. 300.

DEFINITIONS

Sec. 766. For the purposes of this part—

(1) the term "major disaster" means a disaster determined to be a major disaster as defined in section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a)); and

(2) an institution of higher education shall be deemed to be a "public institution of higher education" if such institution is found by the Commissioner to be under public supervision and control.

(20 U.S.C. 1132d–5) Enacted June 23, 1972, P.L. 92–318, sec.161, 86 Stat. 300.

Part E—General

RECOVERY OF PAYMENTS

Sec. 781. (a) The Congress hereby finds and declares that, if a facility constructed with the aid of a grant or grants under part A or B of this title is used as an academic facility for twenty years following completion of such construction, the public benefit accruing to the

United States from such use will equal in value the amount of such grant or grants. The period of twenty years after completion of such construction shall therefore be deemed to be the period of Federal interest in such facility for the purposes of this title.

(b) If, within twenty years after completion of construction of an academic facility which has been constructed in part with a grant or grants under part A or B of this title—

(1) the applicant (or its successor in title or possession) ceases or fails to be a public or nonprofit institution, or

(2) the facility ceases to be used as an academic facility, or the facility is used as a facility excluded from the term "academic facility", unless the Secretary determines that there is good cause for releasing the institution from its obligation,

the United States shall be entitled to recover from such applicant (or successor) an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal grant or grants bore to the development cost of the facility financed with the aid of such grant or grants. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated.

(c) Notwithstanding the provisions of subsections (a) and (b), no facility constructed with assistance under this title shall ever be used for religious worship or a sectarian activity or for a school or department of divinity.

(20 U.S.C. 1132e) Enacted June 23, 1972, P.L. 92-318, sec. 161, 86 Stat. 300, 301.

DEFINITIONS

SEC. 782. The following definitions apply to terms used in this title:

(1)(A) Except as provided in subparagraph (B) of this paragraph, the term "academic facilities" means structures suitable for use as classrooms, laboratories, libraries, and related facilities necessary or appropriate for instruction of students, or for research, or for administration of the educational or research programs, of an institution of higher education, and maintenance, storage, or utility facilities essential to operation of the foregoing facilities. For purposes of parts A, C, and D, such term includes infirmaries or other facilities designed to provide primarily for outpatient care of student and instructional personnel. Plans for such facilities shall be in compliance with such standards as the Secretary of Health, Education, and Welfare may prescribe or approve in order to insure that facilities constructed with the use of Federal funds under this title shall be, to the extent appropriate in view of the uses to be made of the facilities, accessible to and usable by handicapped persons.

(B) The term "academic facilities" shall not include (i) any facility intended primarily for events for which admission is to be charged to the general public, or (ii) any gymnasium or other facility specially designed for athletic or recreational activities, other than for an academic course in physical education or where the Commissioner finds that the physical integration of such facilities with other academic facilities included under this title is required to carry out the objectives of this title, or (iii) any facility used or to be used for sectarian instruction or as a place for religious worship, or (iv) any facility which (although not a facility described in the preceding clause) is used or to be used primarily in connection with any part of the program of a school or department of divinity, or (v) any facility used or to be used by a school of medicine, school of dentistry, school of osteopathy, school of pharmacy, school of optometry, school of podiatry, or school of public health as these terms are defined in section 724 of the Public Health Service Act, or a school of nusing as defined in section 843 of that Act.

(2) The term "construction" means (A) erection of new or expansion of existing structures, and the acquisition and installation of initial equipment therefor; or (B) acquisition of existing structures not owned by the institution involved; or (C) rehabilitation, alteration, conversion or improvement (including the acquisition and installation of initial equipment, or modernization or replacement of built-in equipment) of existing structures; or (D) a combination of any two or more of the foregoing. For the purposes of the preceding sentence, the term "equipment" includes, in addition to machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, all other items necessary for the functioning of a particular facility as an academic facility, including necessary furniture, except books, curricular and program materials, and items of current and operating expense such as fuel, supplies, and the like; the term "initial equipment" means equipment acquired and installed in connection with construction as defined in paragraph (2) (A) or (B) or, in cases referred to in paragraph (2) (C), equipment acquired and installed as part of the rehabilitation, alteration, conversion, or improvement of an existing structure, which structure would otherwise not be adequate for use as an academic facility; and the terms "equipment", "initial equipment", and "built-in equipment" shall be more particularly defined by the Commissioner by regulation. For the purposes of clause (C) in the first sentence of this paragraph, the term "rehabilitation, alteration, conversion, or improvement" includes such action as may be necessary to provide for the architectural needs of, or to remove architectural barriers to, handicapped persons with a view toward increasing the accessibility to, and use of, academic facilities by such persons.

(3) (A) The term "development cost," with respect to an academic facility, means the amount found by the Commissioner to be the cost, to the applicant for a grant or loan under this title, of the construction involved and the cost of necessary acquisition of the land on which the facility is located and of necessary site improvements to permit its use for such facility. There shall be excluded from the development cost—

(i) in determining the amount of any grant under part A or B, an amount equal to the sum of (I) any Federal grant which the institution has obtained or is assured of obtaining, under any law other than this title, with respect to the construction that is to be financed with the aid of a grant under part A or B, and (II) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant; and

(ii) in determining the amount of any loan under part C, an amount equal to the amount of any Federal financial assistance which the institution has obtained, or is assured of obtaining, under any law other than this title, with respect to the construction that is to be financed with the aid of a loan under part C.

(B) In determining the development cost with respect to an academic facility, the Commissioner may include expenditures for works of art for the facility of not to exceed 1 per centum of the total cost (including such expenditures) to the applicant of construction of, and land acquisition and site improvements for, such facility.

(4) The term "Federal share" means, except as provided in section 706(b)(2), in the case of any project a percentage (as determined under the applicable State plan) in excess of 50 percentum of its development cost.

(5) The term "higher education building agency" means (A) an agency, public authority, or other instrumentality of a State authorized to provide, or finance the construction of, academic facilities for institutions of higher education (whether or not also authorized to provide or finance other facilities for such or other educational institutions, or for their students or faculty), or (B) any corporation (no part of the net earnings of which inures or may lawfully inure to the benefit of any private shareholder or individual (I) established by an institution of higher education for the sole purpose of providing academic facilities for the use of such institution, and (II) upon dissolution of which, all title to any property purchased or built from the proceeds of any loan made under part C will pass to such institution.

(6) The term "public community college and public technical institute" means an institution of higher education which is under public supervision and control, and is organized and administered principally to provide a two-year program which is acceptable for full credit toward a bachelor's degree, or a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge; and the term includes a branch of an institution of higher education offering four or more years of higher education which is located in a community different from that in which its parent institution is located.

(7) The term "cooperative graduate center" means an institution or program created by two or more institutions of higher education which will offer to the students of the participating institutions of higher education graduate work which could not be offered with the same proficiency or economy (or both) at the individual institution of higher education. The center may be located or the program carried out on the campus of any of the participating institutions or at a separate location.

(8) The term "cooperative graduate center board" means a duly constituted board established to construct and maintain the cooperative graduate center and coordinate academic programs. The board shall be composed of representatives of each of the institutions of higher education participating in the center and of the community involved. At least one-third of the board's members shall be community representa-

tives. The board shall elect by a majority vote a chairman from among its membership.

(9) The term "public educational institution" does not include a school or institution of any agency of the United States.

(10) The term "State" includes in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(20 U.S.C. 1132e-1) Enacted June 23, 1972 P.L. 92-318, sec. 161, 86 Stat. 303.

TITLE VIII—NETWORKS FOR KNOWLEDGE

SHARING EDUCATIONAL AND RELATED RESOURCES

SEC. 801. (a) The Commissioner shall carry out a program of encouraging institutions of higher education (including law and other graduate professional schools) to share, to the optimal extent, through cooperative arrangements, their technical and other educational and administrative facilities and resources, and to test and demonstrate the effectiveness and efficiency of a variety of such arrangements, in accordance with this title. The Commissioner is authorized to make grants to, and contracts with, institutions of higher education to pay all or part of the cost of cooperative arrangements and of pilot or demonstration projects designed to accomplish the purpose set forth in the first sentence of this subsection. Such grants may be made to public or nonprofit private colleges or universities. When in the Commissioner's judgment it will more effectively promote the purposes of this title, the Commissioner may make grants to other established public or nonprofit private agencies or organizations, including professional organizations or academic societies and he may enter into contracts with established private agencies and organizations.

(b) Projects for the planning, development, or carrying out of such arrangements assisted under this title may, subject to the provisions of subsection (c), include—

(1) (A) joint use of facilities such as classrooms, libraries, including law libraries, or laboratories, including joint use of necessary books, materials, and equipment; or (B) affording access to specialized library collections, including law library collections, through preparation of interinstitutional catalogs and through development of systems and preparation of suitable media for electronic or other rapid transmission of materials;

(2) establishment and joint operation of closed-circuit television or equivalent transmission facilities (such as the instructional television fixed services); and

(3) establishment and joint operation of electronic computer networks and programs therefor, to be available to participating institutions for such purposes as financial and student records, student course work, or transmission of library materials.

(c) (1) Grants pursuant to clause (B) of paragraph (1) of subsection (b) may not be used to pay the costs of electronic transmission terminals.

(2) In the case of a project for the establishment and operation of a computer network, grants may not include—

(A) the cost of operating administrative terminals or student terminals at participating institutions; or

(B) the cost, or any participating institution's pro rata share of the cost, of using the central computer facilities of the network, except (i) such costs of systems development and programming of computers and transmission costs as are necessary to make the network operational, (ii) the administrative and program support costs of the central facilities of the network, and (iii) the line-access costs incurred by participating institutions.

(20 U.S.C. 1133) Enacted Oct. 16, 1968, P.L. 90–515, Title II, sec. 251, 82 Stat. 1042, amended June 23, 1972, P.L. 92–318, sec. 172, 86 Stat. 304.

APPROPRIATIONS AUTHORIZED

SEC. 802. There are authorized to be appropriated for the purposes of this title (and planning and related activities in the initial fiscal year for such purpose), $340,000 for the fiscal year ending June 30, 1969, $4,000,000 for the fiscal year ending June 30, 1970, and $15,000,000 for the fiscal year ending June 30, 1971, $5,000,000 for the fiscal year ending June 30, 1972, $10,000,000 for the fiscal year ending June 30, 1973, and $15,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975.

(20 U.S.C. 1133a) Enacted Oct. 16, 1968, P.L. 90–575. Title II, sec. 251, 82 Stat. 1043; amended June 23, 1972, P.L. 92–318, sec. 171, 86 Stat. 304.

AUTHORITY FOR FREE OR REDUCED RATE COMMUNICATIONS INTERCONNECTION SERVICES

SEC. 803. Nothing in the Communications Act of 1934, as amended, or in any other provision of law shall be construed to prevent United States communications common carriers from rendering, subject to such rules and regulations as the Federal Communications Commission may prescribe, free or reduced rate communications interconnection services for interconnection system within the purview of this title, whether or not included in a project for which a grant is made under this title.

(20 U.S.C. 1133b) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 251, 82 Stat. 1043.

TITLE IX—GRADUATE PROGRAMS

PART A—GRANTS TO INSTITUTIONS OF HIGHER EDUCATION

PURPOSES; AUTHORIZATION

SEC. 901. (a) It is the purpose of this part to make financial assistance available to institutions of higher education—

(1) to strengthen, improve and where necessary expand the quality of graduate and professional programs leading to an advanced degree (other than a medical degree) in such institutions;

(2) to establish, strengthen, and improve programs designed to prepare graduate and professional students for public service; and

(3) to assist in strengthening undergraduate programs of instruction in the areas described in clauses (2), (3), and (4),[1] whenever the Commissioner determines that strengthened undergraduate programs of instruction will contribute to the purposes of such clauses.

(b) The Commissioner shall carry out a program of making grants to institutions of higher education to carry out the purposes set forth in subsection (a).

(c) There are authorized to be appropriated $30,000,000 for the fiscal year ending June 30, 1973, $40,000,000 for the fiscal year ending June 30, 1974, and $50,000,000 for the fiscal year ending June 30, 1975, for the purposes of this part.

(20 U.S.C. 1134) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 304.

APPLICATIONS FOR GRANTS

SEC. 902. (a) The Commissioner is authorized to make grants to institutions of higher education in accordance with the provisions of this part. An institution of higher education desiring to receive a grant under this part shall submit to the Commissioner an application therefor at such time or times, in such manner, and containing such information as the Commissioner may prescribe by regulation. Such application shall set forth a program of activities for carrying out one or more of the purposes set forth in section 901(a) in such detail as will enable the Commissioner to determine the degree to which such program will accomplish such purpose or purposes, and such other policies, procedures, and assurances as the Commissioner may require by regulation.

(b) The Commissioner shall approve an application only if he determines that the application sets forth a program of activities which are likely to make substantial progress toward achieving the purposes of this part.

(20 U.S.C. 1134a) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 305.

AUTHORIZED ACTIVITIES

SEC. 903. (a) The funds appropriated pursuant to section 901(c) may be used for such purposes as the Commissioner determines will best accomplish the purposes of this part.

(b) Such funds may be used solely for the purposes set forth in an application approved under section 902 and solely for the purpose of accomplishing the purposes stated in section 901(a), and to that end such funds may be used for—

(1) faculty improvement;

(2) the expansion of graduate and professional programs of study;

---

[1] Apparent error. Should read "clauses (1) and (2)."

(3) the acquisition of appropriate instructional equipment and materials;

(4) cooperative arrangements among graduate and professional schools; and

(5) the strengthening of graduate and professional school administration.

(c) No sums granted under this part may be used—

(1) for payment in excess of 66⅔ per centum of the total cost of such project or activity;

(2) for payment in excesss of 50 per centum of the cost of the purchase or rental of books, audiovisual aids, scientific apparatus, or other materials or equipment, less any per centum of such cost, as determined by the Commissioner, that is paid from sums received (other than under this part) as Federal financial assistance; or

(3) for sectarian instruction or religious worship, or primarily in connection with any part of the program of a school or department of divinity.

(20 U.S.C. 1134b) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 305, 306.

RESEARCH AND STUDIES

SEC. 904. The Commissioner is authorized, directly or by contract, to conduct studies and research activities in connection with the need for, and improvement of, graduate programs in various fields of study in institutions of higher education throughout the United States.

(20 U.S.C. 1134c) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 306.

PART B—GRADUATE FELLOWSHIPS FOR CAREERS IN POSTSECONDARY EDUCATION

APPROPRIATIONS AUTHORIZED

SEC. 921. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this part.

(20 U.S.C. 1134d) Enacted June 30, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 306.

NUMBER OF FELLOWSHIPS

SEC. 922. (a) During the fiscal year ending June 30, 1973, and each of the two succeeding fiscal years, the Commissioner is authorized to award not to exceed seven thousand five hundred fellowships to be used for study in graduate programs at institutions of higher education. Such fellowships may be awarded for such period of study as the Commissioner may determine, but not in excess of three academic years, except (1) that where a fellowship holder pursues his studies as a regularly enrolled student at the institution during periods outside the regular sessions of the graduate program of the institution, a fellowship may be awarded for a period not in excess of three calendar years, and (2) that the Commissioner may provide by regulation for the granting of such fellowships for a period of study not to exceed one academic year (or one calendar year in the case of fellowships to which clause (1) applies) in in addition to the maximum period otherwise applicable, under special circumstances in which the purposes of this part would most effectively be served thereby.

(b) In addition to the number of fellowships authorized to be awarded by subsection (a) of this section, the Commissioner is authorized to award fellowships equal to the number previously awarded during any fiscal year under this section but vacated prior to the end of the period for which they were awarded; except that each fellowship awarded under this subsection shall be for such period of study, not in excess of the remainder of the period for which the fellowship which it replaces was awarded, as the Commissioner may determine.

(20 U.S.C. 1134e) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 306.

AWARD OF FELLOWSHIPS AND APPROVAL OF INSTITUTIONS

SEC. 923. (a) Of the total number of fellowships authorized by section 922(a) to be awarded during a fiscal year (1) not less than one-third shall be awarded to individuals accepted for study in graduate programs approved by the Commissioner under this section, and (2) the remainder shall be awarded on such bases as he may determine, subject to the provisions of subsection (c). The Commissioner shall approve a graduate program of an institution of higher education only upon application by the institution and only upon his finding that the application contains satisfactory assurance that the institution will provide special orientation and practical experiences designed to prepare its fellowship recipients for academic careers at some level of education beyond the high school.

(b) In determining priorities and procedures for the award of fellowships under this section, the Commissioner shall—

(1) take into account present and projected needs for highly trained teachers in all areas of education beyond the high school,

(2) give special attention to those institutions which have developed new doctoral-level programs especially tailored to prepare classroom teachers,

(3) consider the need to prepare a larger number of teachers and other academic leaders from minority groups, but nothing containd in this clause shall be interpreted to require any educational institution to grant preference or disparate treatment to the members of one minority group on account of an imbalance which may exist with respect to the total number or percentage of persons of that group participating in or receiving the benefits of this program, in comparison with the total number of percentage of persons of that group in any community, State, section, or other area,

(4) assure that at least one-half of all new fellowship recipients have demonstrated their competence outside of a higher education setting for at least two years subsequent to the completion of their undergraduate studies,

(5) allow a fellowship recipient to interrupt his studies for up to one year for the purpose of work, travel, or independent study away from the campus, except that no stipend or travel expenses may be paid for such period, and

(6) seek to achieve a reasonably equitable geographical distribution of graduate programs approved under this section, based upon such factors as student enrollments in institutions of higher education and population.

(c) Recipients of fellowships under this part shall be persons who are interested in an academic career in educational programs beyond the high school level and are pursuing, or intend to pursue, a course of study leading to a degree of doctor of philosophy, doctor of arts, or an equivalent degree.

(d) No fellowship shall be awarded under this part for study at a school or department of divinity.

(20 U.S.C. 1134f) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 306, 307.

FELLOWSHIP STIPENDS

SEC. 924. (a) The Commissioner shall pay to persons awarded fellowships under this part such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Commissioner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course, of study, in lieu of tuition charged such person, such amounts as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs, except that such amount shall not exceed $4,000 per academic year for any such person.

(20 U.S.C. 1134g) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 307.

FELLOWSHIP CONDITIONS

SEC. 925. (a) A person awarded a fellowship under the provisions of this part shall continue to receive payments provided in section 404 [1] only during such periods as the Commissioner finds that he is maintaining satisfactory proficiency in, and devoting essentially full time to, study or research in the field in which such fellowship was awarded, in an institution of higher education, and is not engaging in gainful employment other than part-time employment by such institution in teaching, research, or similar activities, approved by the Commissioner.

(b) The Commissioner is authorized to require reports containing such information in such form and to filed at such times as he determines necessary from any person awarded a fellowship under the provisions of this part. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, library, archive, or other research center approved by the Commissioner, stating that such person is making satisfactory progress in, and is devoting essentially full time to, the program for which the fellowship was awarded.

(20 U.S.C. 1134h) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 307, 308.

---

[1] Apparent error. Should be section 924.

PART C—PUBLIC SERVICE FELLOWSHIPS

AWARD OF PUBLIC SERVICE FELLOWSHIPS

SEC. 941. (a) During the fiscal year ending June 30, 1973, and each of the two succeeding fiscal years, the Commissioner is authorized to award not to exceed five hundred fellowships in accordance with the provisions of this part for graduate or professional study for persons who plan to pursue a career in public service. Such fellowships shall be awarded for such periods as the Commissioner may determine but not to exceed three academic years.

(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this part.

(20 U.S.C. 1134i) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 308.

ALLOCATION OF FELLOWSHIPS

SEC. 942. The Commissioner shall allocate fellowships under this part among institutions of higher education with programs approved under the provisions of this part for the use of individuals accepted into such programs, in such manner and according to such plan as will insofar as practicable—

(1) provide an equitable distribution of such fellowships throughout the United States; and

(2) attract recent college graduates to pursue a career in public service.

(20 U.S.C. 1134j) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 308.

APPROVAL OF PROGRAMS

SEC. 943. The Commissioner shall approve a graduate or professional program of an institution of higher education only upon application by the institution and only upon his findings—

(1) that such program has as a principal or significant objective the education of persons for the public service, or the education of persons in a profession or vocation for whose practitioners there is a significant continuing need in the public service as determined by the Commissioner after such consultation with other agencies as may be appropriate;

(2) that such program is in effect and of high quality, or can readily be put into effect and may reasonably be expected to be of high quality;

(3) that the application describes the relation of such programs to any program, activity, research, or development set forth by the applicant in an application, if any, submitted pursuant to section 901(a)(2); and

(4) that the application contains satisfactory assurance that (A) the institution will recommend to the Commissioner, for the award of fellowships under this part, for study in such program, only persons of superior promise who have demonstrated to the satisfaction of the institution a serious intent to enter the public service upon completing the program, and (B) the institution

will make reasonable continuing efforts to encourage recipients of fellowships under this part, enrolled in such programs, to enter the public service upon completing the program.

(20 U.S.C. 1134k) Enacted June 23, 1972, P.L. 92-318, sec. 181(a), 86 Stat. 308, 309.

STIPENDS

SEC. 944. (a) The Commissioner shall pay to persons awarded fellowships under this part such stipends (including such allowances for subsistence and other expenses for such persons and their dependent) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Commissioner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs.

(20 U.S.C. 1134m) Enacted June 23, 1972, P.L. 92-318, sec. 181(a), 86 Stat. 309.

FELLOWSHIP CONDITIONS

SEC. 945. (a) A person awarded a fellowship under the provisions of this part shall continue to receive the payments provided in this part only during such periods as the Commissioner finds that he is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such fellowship was awarded in an institution of higher education, and is not engaging in gainful employment other than employment approved by the Commissioner by or pursuant to regulation.

(b) The Commissioner is authorized to require reports containing such information in such form and to be filed at such times as he determines necessary from any person awarded a fellowship under the provisions of this part. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, library archive, or other research center approved by the Commissioner, stating that such person is making satisfactory progress in, and is devoting essentially full time to, the program for which the fellowship was awarded.

(c) No fellowship shall be awarded under this part for study at a school or department of divinity.

(20 U.S.C. 1134m) Enacted June 23, 1972, P.L. 92-318, sec, 181(a), 86 Stat. 309.

PART D—FELLOWSHIPS FOR OTHER PURPOSES

PROGRAM AUTHORIZED

SEC. 961. (a) It is the purpose of this part to provide fellowships—

(1) to assist graduate students of exceptional ability who demonstrate a financial need for advanced study in domestic mining and mineral and mineral fuel conservation including oil, gas, coal, oil shale, and uranium; and

(2) for persons of ability from disadvantaged backgrounds, as determined by the Commissioner, undertaking graduate or professional study.

The demonstration of financial need shall be determined in accordance with regulations prescribed by the Commissioner.

(b)(1) The Commissioner is authorized to award under the provisions of this part not to exceed five hundred fellowships for the fiscal year ending June 30, 1973, and for each of the two succeeding fiscal years. Appropriations made pursuant to section 965 for fellowships awarded under clause (2) of subsection (a) of this section may not exceed $1,000,000 in any fiscal year.

(2) In addition to the number of fellowships authorized to be awarded under paragraph (1), the Commissioner is authorized to award fellowships equal to the number previously awarded during any fiscal year under this part but vacated prior to the end of the period for which they were awarded except that each fellowship awarded under this paragraph shall be for such period of graduate or professional work or research not in excess of the remainder of the period for which the fellowship it replaces was awarded as the Commissioner may determine.

(c) Fellowships awarded under this part shall be for graduate and professional study leading to an advanced degree or research incident to the presentation of a doctoral dissertation. Such fellowships may be awarded for graduate and professional study and research at any institution of higher education or any other research center approved for such purpose by the Commissioner. Such fellowships shall be awarded for such periods as the Commissioner may determine but not to exceed three years.

(20 U.S.C. 1134n) Enacted June 23, 1972, P.L. 92-318, sec. 181(a), 86 Stat. 310.

AWARD OF FELLOWSHIPS

SEC. 962. Recipients of fellowships under this part shall be—

(1) persons who have been accepted by an institution of higher education for graduate study leading to an advanced degree or for a professional degree, or

(2) persons who have completed all course work required for granting of a doctoral degree or an equivalent degree (except such course work credited on the dissertation) and comprehensive examinations where appropriate, and whose doctoral dissertation (or other equivalent dissertation) proposal has been approved by appropriate officials of an institution of higher education.

(20 U.S.C. 1134o) Enacted June 23, 1972, P.L. 92-318, sec. 181(a), 86 Stat. 310.

STIPENDS AND INSTITUTION OF HIGHER EDUCATION ALLOWANCES

SEC. 963. (a) The Commissioner shall pay to persons awarded fellowships under this part such stipends as he may determine to be consistent with prevailing practices under comparable federally supported programs, except that the stipend shall not be less than $2,800 for each academic year study. An additional amount of $300 for each such year shall be paid to each such person on account of each of his dependents, not to exceed the amount of $1,500 per academic year.

(b) In addition to the amount paid to persons pursuant to subsection (a) there shall be paid to the institution of higher education at which each such person is pursuing his course of study an amount equal to 150 per centum of the amount paid to such person, less the amount paid on account of each of such person's dependents, to such person, less any amount charged such person for tuition.

(c) The Commissioner shall reimburse any person awarded a fellowship pursuant to this part for actual and necessary traveling expenses of such person and his dependents from his ordinary place of residence to the institution of higher education, library, archive, or other research center where he will pursue his studies under such fellowship, and to return to such residence.

(20 U.S.C. 1134p) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 310.

FELLOWSHIP CONDITIONS

SEC. 964. (a) A person awarded a fellowship under the provisions of this part shall continue to receive the payments provided in this part only during such periods as the Commissioner finds that he is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such fellowship was awarded in an institution of higher education, and is not engaging in gainful employment other than employment approved by the Commissioner by or pursuant to regulation.

(b) The Commissioner is authorized to require reports containing such information in such form and to be filed at such times as he determines necessary from any person awarded a fellowship under the provisions of this part. Such reports shall be accompanied by a certificate from an appropriate official at the institution of higher education, library, archive, or other research center approved by the Commissioner, stating that such person is making satisfactory progress in, and is devoting essentially full time to, the program for which the fellowship was awarded.

(c) No fellowship shall be awarded under this title for study at a school or department of divinity.

(20 U.S.C. 1134q) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 311.

APPROPRIATIONS AUTHORIZED

SEC. 965. There are authorized to be appropriated such sums as may be necessary for the purposes of this part.

(20 U.S.C. 1134r) Enacted June 23, 1972, P.L. 92–318, sec. 181(a), 86 Stat. 311.

ASSISTANCE FOR TRAINING IN THE LEGAL PROFESSION

SEC. 966. (a) The Commissioner is authorized prior to July 1, 1978, to make grants to, or enter into contracts with, public and private agencies and organizations other than institutions of higher education for the purpose of assisting individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Commissioner, to undertake training for the legal profession.

(b) Grants made, and contracts entered into under subsection (a) may cover, in accordance with regulations of the Commissioner, all or part of the cost of—

(1) selecting individuals from disadvantaged backgrounds for training for the legal profession,

(2) facilitating the entry of such individuals into institutions of higher education for the purpose of pursuing such training,

(3) providing counseling or other services designed to assist such individuals to complete successfully such training,

(4) providing, for not more than three months prior to the entry of such individuals upon their courses of training for the legal profession, preliminary training for such individuals designed to assist them to complete successfully such training for the legal profession,

(5) paying such stipends (including allowances for travel and for dependents) as the Commissioner may determine for such individuals for any such period of preliminary training or for any period of training for the legal profession during which such individuals maintain satisfactory academic proficiency, as determined by the Commissioner, and

(6) paying for administrative activities of the agencies and organizations which receive such grants, or with which such contracts are entered into, to the extent such activities are for the purpose of furthering activities described in clauses (1) through (5).

(c) The activities authorized under this section may be carried out without regard to the requirements and limitations set forth in sections 962 and 963 of this part.

(20 U.S.C. 1134r–1) Enacted Aug. 24, 1974, P.L. 93–380, sec. 836, 88 Stat. 605.

(PART E—VACANT)

PART F—GENERAL ASSISTANCE TO GRADUATE SCHOOLS[1]

GENERAL ASSISTANCE GRANTS

SEC. 981. (a) Each institution of higher education shall, during the period beginning July 1, 1972 and ending June 30, 1975, be entitled to a general assistance grant (hereinafter in this section referred to as "grant") in accordance with the provisions of this section.

(b) The amount of a grant to which an institution shall be entitled for any fiscal year shall be $200 multiplied by the number of students in full-time enrollment (including the full-time equivalent of the part-time enrollment for credit) at such institution who are pursuing a program of post-baccalaureate study.

(c) In order to be eligible for the grant to which it is entitled, an institution shall make application therefor to the Commissioner. Such application shall be submitted at such time or times and in such manner as the Commissioner shall prescribe by regulation. Such application shall be approved if the Commissioner determines that it—

---

[1] Sec. 1001(d) of P.L. 92–318 provides as follows:

"(d) The total of the payments made under subpart 5 of part A of title IV of the Higher Education Act of 1965 (except section 420) and under part F of title IX of such Act may not exceed $1,000,000,000 during any fiscal year."

(1) describes general educational goals and specific objectives of the graduate programs of the institution, and the amount of institutional income needed to meet such goals and objectives;

(2) provides satisfactory assurance that—

(A) the proceeds of the grant will be used for programs of the applicant consistent with such goals and objectives,

(B) current operating support from non-Federal sources for educationally related graduate programs of the applicant has not been reduced in anticipation of funds to be received under this section, and

(C) the applicant will make such reports as the Commissioner may require including a summary report describing how the grant was expended and an evaluation of its effectiveness in achieving such goals and objectives; and

(3) contains such provisions as the Commissioner may require by regulation in order to protect the financial interests of the United States.

The Commissioner may waive the requirement set forth in clause (2) (B) in the preceding sentence for any fiscal year if he determines, in accordance with criteria prescribed by regulation, that such waiver would promote the purposes of this section.

(d) (1) The Commissioner shall pay to each applicant the amount for which it is eligible under this section.

(2) If, during any period, the funds available for making payments pursuant to paragraph (1) are insufficient to satisfy fully the amounts for which all institutions are eligible under this section, the amounts for which all applicants are eligible shall be ratably reduced.

(e) None of the proceeds from a grant may be used to support a school or department of divinity or for religious worship or sectarian instruction.

(f) The Commissioner shall report to Congress not later than 120 days after the end of each fiscal year regarding the effectiveness of assistance under this section in achieving the goals and objectives of institutions of higher education and in encouraging diversity and autonomy among such institutions of higher education. The Commissioner, in such report, shall include such recommendations as may be appropriate regarding the continuation, modification, or extension of assistance under this section.

(20 U.S.C. 1134s) Enacted June 23, 1972, P.L. 92-318, sec. 1001(b), 86 Stat. 380.

TITLE X—COMMUNITY COLLEGES AND OCCUPATIONAL EDUCATION

PART A—ESTABLISHMENT AND EXPANSION OF COMMUNITY COLLEGES

Subpart 1—Statewide Plans

SEC. 1001. (a) Each State Commission (established or designated under section 1202) of each State which desires to receive assistance under this subpart shall develop a statewide plan for the expansion or improvement of postsecondary education programs in community colleges or both. Such plan shall among other things—

(1) designate areas, if any, of the State in which residents do not have access to at least two years of tuition-free or low-tuition postsecondary education within reasonable distance;

(2) set forth a comprehensive statewide plan for the establishment, or expansion, and improvement of community colleges, or both, which would achieve the goal of making available to all residents of the State an opportunity to attend a community college (as defined in section 1018);

(3) establish priorities for the use of Federal and non-Federal financial and other resources which would be necessary to achieve the goal set forth in clause (2);

(4) make recommendations with respect to adequate State and local financial support, within the priorities set forth pursuant to clause (3), for community colleges;

(5) set forth a statement analyzing the duplications of postsecondary educational programs and make recommendations for the coordination of such programs in order to eliminate unnecessary or excessive duplications; and

(6) set forth a plan for the use of existing and new educational resources in the State in order to achieve the goal set forth in clause (2), including recommendations for the modification of State plans for federally assisted vocational education, community services, and academic facilities as they may affect community colleges.

In carrying out its responsibilities under this subsection, each State Commission shall establish an advisory council on community colleges which shall—

(A) be composed of—

(i) a substantial number of persons in the State (including representatives of State and local agencies) having responsibility for the operation of community colleges;

(ii) representatives of State agencies having responsibility for or an interest in postsecondary education; and

(iii) the general public;

(B) have responsibility for assisting and making recommendations to the State Commission in developing the statewide plan required under this section;

(C) conduct such hearings as the State Commission may deem advisable; and

(D) pursuant to requirements established by the State Commission, provide each State and local agency within the State responsible for postsecondary education an opportunity to review and make recommendations with respect to such plan.

(b)(1) There is hereby authorized to be appropriated $15,700,000 during the period beginning July 1, 1972, and ending June 30, 1974, to carry out the provisions of this section.

(2) Sums appropriated pursuant to paragraph (1) shall be allotted by the Commissioner equally among the States, except that the amount allotted to Guam, American Samoa, and the Virgin Islands shall not exceed $100,000 each. Such sums shall remain available until expended.

(c) Each plan developed and adopted pursuant to subsection (a) shall be submitted to the Commissioner for his approval. The Commissioner shall not approve any plan unless he determines that it fulfills the requirements of this section.

(20 U.S.C. 1135) Enacted June 23, 1972, P.L. 92-318, sec. 186(a)(1), 86 Stat. 312, 313.

Subpart 2—Establishment and Expansion of Community Colleges

PROGRAM AUTHORIZATION

Sec. 1011. (a) In order to encourage and assist those States and localities which so desire in establishing or expanding community colleges, or both, the Commissioner shall carry out a program as provided in this subpart for making grants to community colleges in order to improve educational opportunities available through community colleges in such States.

(b) For the purpose of carrying out this subpart, there are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1973, $75,000,000 for the fiscal year ending June 30, 1974, and $150,000,000 for the fiscal year ending June 30, 1975.

(20 U.S.C. 1135a) Enacted June 23, 1972, P.L. 92-318, sec. 186(a)(1), 86 Stat. 313.

APPORTIONMENTS

Sec. 1012. (a) From the sums appropriated pursuant to section 1011(b) for each fiscal year the Commissioner shall apportion not more than 5 per centum thereof among Puerto Rico, Guam, American Samoa and the Virign Islands according to their respective needs. From the remainder of such sums the Commissioner shall apportion to each State an amount which bears the same ratio to such remainder as the population aged eighteen and over in such State bears to the total of such population in all States. For the purpose of the second sentence of this subsection, the term "State" does not include Puerto Rico, Guam, American Samoa and the Virgin Islands.

(b) The portion of any State's apportionment under subsection (a) for a fiscal year which the Commissioner determines will not be required, for the period such apportionment is available, for carrying out the purposes of this subpart shall be available for reapportionment from time to time, on such dates during such period as the Commissioner shall fix, to other States in proportion to the original apportionments to such States under subsection (a) for such year but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Commissioner estimates such State needs and will be able to use for such period for carrying out such portion of its State plan referred to in section 1001(a)(2) approved under this subpart, and the total of such reductions shall be similarly reapportioned among the States whose proportionate amounts are not so reduced. Any amount reapportioned to a State under this subsection during a year shall be deemed part of its apportionment under subsection (a) for such year.

(20 U.S.C. 1135a-1) Enacted June 23, 1972, P.L. 92-318, sec. 186(a)(1), 86 Stat. 313, 314.

ESTABLISHMENT GRANTS

SEC. 1013. (a) The Commissioner is authorized to make grants to new community colleges to assist them in planning, developing, establishing, and conducting initial operations of new community colleges in areas of the States in which there are no existing community colleges or in which existing community colleges cannot adequately provide postsecondary educational opportunities for all of the residents thereof who desire and can benefit from postsecondary education.

(b) For the purposes of subsection (a), the term "new community college" means a board of trustees or other governing board (or its equivalent) which is established by, or pursuant to, the law of a State, or local government, for the purpose of establishing a community college, as defined in section 1018, or any existing board so established which has the authority to create, and is in the process of establishing, a new community college.

(20 U.S.C. 1135a-2) Enacted June 23, 1972, P.L. 92-318, sec. 186(a)(1), 86 Stat. 314.

EXPANSION GRANTS

SEC. 1014. The Commissioner is authorized to make grants to existing community colleges to assist them—

(1) in expanding their enrollment capacities,
(2) in establishing new campuses, and
(3) in altering or modifying their educational programs,

in order that they may (A) more adequately meet the needs, interests, and potential benefits of the communities they serve, or (B) provide educational programs especially suited to the needs of educationally disadvantaged persons residing in such communities.

(20 U.S.C. 1135a-3) Enacted June 23, 1972, P.L. 92-318, sec. 186(a)(1), 86 Stat. 314.

LEASE OF FACILITIES

SEC. 1015. (a) The Commissioner is authorized to make grants to community colleges to enable them to lease facilities, for a period of not to exceed five years, in connection with activities carried out by them under section 1013 or section 1014.

(b) The Federal share of carrying out a project through a grant under this section shall not exceed—

(1) 70 per centum of the cost of such project for the first year of assistance under this section;
(2) 50 per centum thereof for the second such year;
(3) 30 per centum thereof for the third such year; and
(4) 10 per centum thereof for the fourth such year.

(20 U.S.C. 1135a-4) Enacted June 23, 1972, P.L. 92-318, sec. 186(a)(1), 86 Stat. 314, 315.

APPLICATIONS; FEDERAL SHARE

SEC. 1016. (a)(1) Grants under sections 1013 and 1014 may be made only upon application to the Commissioner. Applications for assistance under such sections shall be submitted at such time, in such manner and form, and containing such information as the Commissioner shall require by regulation.

(2) No application submitted pursuant to paragraph (1) shall be approved unless the Commissioner determines that it is consistent with the plan approved by him under section 1001 from the State in which the applicant is located.

(b)(1) No application for assistance under section 1013 or 1014 shall be approved for a period of assistance in excess of four years.

(2) The Federal share of the cost of carrying out the project for which assistance is sought in an application submitted pursuant to this section shall not exceed—

(A) 40 per centum of such cost for the first year of assistance;

(B) 30 per centum thereof for the second year of assistance;

(C) 20 per centum thereof for the third year of assistance; and

(D) 10 per centum thereof for the fourth year of assistance.

(c)(1) Funds appropriated pursuant to section 1011 and granted under section 1013 or 1014 shall, subject to paragraph (2), be available for those activities the Commissioner determines to be necessary to carry out the purposes of such sections.

(2) Such funds may be used (A) to remodel or renovate existing facilities, or (B) to equip new and existing facilities, but such funds may not be used for the construction of new facilities or the acquisition of existing facilities.

(20 U.S.C. 1135a–5) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 315.

PAYMENTS

SEC. 1017. From the amount apportioned to each State pursuant to section 1012, the Commissioner shall pay to each applicant from that State which has had an application for assistance approved under this subpart the Federal share of the amount expended under such application.

(20 U.S.C. 1135a–6) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 315.

DEFINITIONS

SEC. 1018. As used in this title, the term "community college" means any junior college, postsecondary vocational school, technical institute, or any other educational institution (which may include a four-year institution of higher education or a branch thereof) in any State which—

(1) is legally authorized within such State to provide a program of education beyond secondary education;

(2) admits as regular students persons who are high school graduates or the equivalent, or at least 18 years of age;

(3) provides a two-year postsecondary educational program leading to an associate degree, or acceptable for credit toward a bachelor's degree, and also provides programs of postsecondary vocational, technical, occupational, and specialized education;

(4) is a public or other nonprofit institution;

(5) is accredited as an institution by a nationally recognized accrediting agency or association, or if not so accredited—

(A) is an institution that has obtained recognized preaccreditation status from a nationally recognized accrediting body, or

(B) is an institution whose credits are acceptable on transfer, by not less than three accredited institutions, for credit on the same basis as if transferred from an institution so accredited.

(20 U.S.C. 1135a–7) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 315, 316.

Part B—Occupational Education Programs

AUTHORIZATION OF APPROPRIATIONS

Sec. 1051. For the purposes of carrying out this part, there are hereby authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1973, $250,000,000 for the fiscal year ending June 30, 1974, and $500,000,000 for the fiscal year ending June 30, 1975. Eighty per centum of the funds appropriated for the first year for which funds are appropriated under this section shall be available for the purposes of establishing administrative arrangements under section 1055, making planning grants under section 1056, and for initiating programs under section 1057 in that States which have complied with the planning requirements of section 1056; and 20 per centum shall be available only for technical assistance under section 1059(a). From the amount appropriated for each succeeding fiscal year 15 per centum shall be reserved to the Commissioner for grants and contracts pursuant to section 1059(b).

(20 U.S.C. 1135b) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 316.

ALLOTMENTS AND REALLOTMENTS AMONG STATES

Sec. 1052. (a) From the sums appropriated under section 1051 for the first year for which funds are appropriated under that section (other than funds available only for technical assistance), the Commissioner shall first allot such sums as they may require (but not to exceed $50,000 each) to American Samoa and the Trust Territory of the Pacific Islands. From the remainder of such sums he shall allot to each State an amount which bears the same ratio to such remainder as the number of persons sixteen years of age or older in such State bears to the number of such persons in all the States, except that the amount allotted to each State shall not be less than $100,000.

(b) From the sums appropriated for any succeeding fiscal year under such section (other than funds reserved to the Commissioner), the Commissioner shall first allot such sums as they may require (but not to exceed $500,000 each) to American Samoa and the Trust Territory of the Pacific Islands. From the remainder of such sums he shall allot to each State an amount which bears the same ratio to such remainder as the number of persons sixteen years of age or older in such State bears to the number of such persons in all the States, except that the amount allotted to each State shall not be less than $500,000.

(c) The portion of any State's allotment under subsection (a) or (b) for a fiscal year which the Commissioner determines will not be required, for the period such allotment is available, for carrying out the purposes of this part shall be available for reallotment from time to time, on such date or dates during such periods as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) or (b) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Commissioner estimates such States need and will be able to use for such period, and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) or (b) for such year.

(20 U.S.C. 1135b–1) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 316, 317.

FEDERAL ADMINISTRATION

SEC. 1053. The Secretary shall develop and carry out a program designed to promote and encourage occupational education, which program shall—

(1) provide for the administration by the Commissioner of Education of grants to the States authorized by this part;

(2) assure that manpower needs in subprofessional occupations in education, health, rehabilitation, and community and welfare services are adequately considered in the development of programs under this part;

(3) promote and encourage the coordination of programs developed under this part with those supported under part A of this title, the Vocational Education act of 1963, the Manpower Development and Training Act of 1962, title I of the Economic Opportunity Act of 1964, the Public Health Service Act, and related activities adminstered by various departments and agencies of the Federal Government; and

(4) provide for the continuous assessment of needs in occupational education and for the continuous evaluation of programs supported under the authority of this part and of related provisions of law.

(20 U.S.C. 1135b–2) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 317.

GENERAL RESPONSIBILITIES OF COMMISSIONER OF EDUCATION

SEC. 1054. The Commissioner shall, in addition to the specific responsibilities imposed by this part, develop and carry out a program of occupational education that will—

(1) coordinate all programs administered by the Commissioner which specifically relate to the provisions of this part so as to provide the maximum practicable support for the objectives of this part;

(2) promote and encourage occupational preparation, counseling and guidance, and job placement or placement in postsecondary occupational education programs as a responsibility of elementary and secondary schools;

(3) utilize research and demonstration programs administered by him to assist in the development of new and improved instruc-

tional methods and technology for occupational education and in the design and testing of models of schools or school systems which place occupational education on an equal footing with academic education;

(4) assure that the Education Professions Development Act and similar programs of general application will be so administered as to provide a degree of support for vocational, technical, and occupational education commensurate with national needs and more nearly representative of the relative size of the population to be served; and

(5) develop and disseminate accurate information on the status of occupational education in all parts of the Nation, at all levels of education, and in all types of institutions, together with information on occupational opportunities available to persons of all ages.

(20 U.S.C. 1135b-3) Enacted June 23, 1972, P.L. 92-318, sec. 186(a)(1), 86 Stat. 317.

STATE ADMINISTRATION

SEC. 1055. (a) Any State desiring to participate in the program authorized by this part shall in accordance with State law establish a State agency or designate an existing State agency which will have sole responsibility for fiscal management and administration of the program, in accordance with the plan approved under this part, and which adopts administrative arrangements which will provide assurances satisfactory to the Commissioner that—

(1) the State Advisory Council on Vocational Education will be charged with the same responsibilities with respect to the program authorized by this part as it has with respect to programs authorized under the Vocational Education Act of 1963;

(2) there is adequate provision for individual institutions or groups of institutions and for local educational agencies to appeal and obtain a hearing from the State administrative agency with respect to policies, procedures, programs, or allocation of resources under this part with which such institution or institutions or such agencies disagree.

(b) The Commissioner shall approve any administrative arrangements which meet the requirements of subsection (a), and shall not finally disapprove any such arrangements without affording the State administrative agency a reasonable opportunity for a hearing. Upon the final disapproval of any arrangement, the provisions for judicial review set forth in section 1058(b) shall be applicable.

(20 U.S.C. 1135b-4) Enacted June 23, 1972, P.L. 92-318, sec. 186(a)(1), 86 Stat. 318.

PLANNING GRANTS FOR STATE OCCUPATIONAL EDUCATION PROGRAMS

SEC. 1056. (a) Upon the application of a State Commission (established or designated pursuant to section 1202), the Commissioner shall make available to the State the amount of its allotment under section 1052 for the following purposes—

(1) to strengthen the State Advisory Council on Vocational Education in order that it may effectively carry out the additional functions imposed by this part; and

(2) to enable the State Commission to initiate and conduct a comprehensive program of planning for the establishment of the program authorized by this part.

(b)(1) Planning activities initiated under clause (2) of subsection (a) shall include—

(A) an assessment of the existing capabilities and facilities for the provision of postsecondary occupational education, together with existing needs and projected needs for such education in all parts of the State;

(B) thorough consideration of the most effective means of utilizing all existing institutions within the State capable of providing the kinds of programs assisted under this part, including (but not limited to) both private and public community and junior colleges, area vocational schools, accredited private proprietary institutions, technical institutes, manpower skill centers, branch institutions of State colleges or universities and public and private colleges and universities;

(C) the development of an administrative procedure which provides reasonable promise for resolving differences between vocational educators, community and junior college educators, college and university educators, elementary and secondary educators, and other interested groups with respect to the administration of the program authorized under this part; and

(D) the development of a long-range strategy for infusing occupational education (including general orientation, counseling and guidance and placement either in a job or in postsecondary occupational programs) into elementary and secondary schools on an equal footing with traditional academic education, to the end that every child who leaves secondary school is prepared either to enter productive employment or to undertake additional education at the postsecondary level, but without being forced prematurely to make an irrevocable commitment to a particular educational or occupational choice; and

(E) the development of procedures to insure continuous planning and evaluation, including the regular collection of data which would be readily available to the State administrative agency, the State Advisory Council on Vocational Education, individual educational institutions, and other interested parties (including concerned private citizens).

(2) Planning activities carried on by the State Commission under this section shall involve the active participation of—

(A) the State board for vocational education;

(B) the State agency having responsibility for community and junior colleges;

(C) the State agency having responsibility for higher education institutions or programs;

(D) the State agency responsible for administering public elementary and secondary education;

(E) the State agency responsible for programs of adult basic education;

(F) representatives of all types of institutions in the State which are conducting or which have the capability and desire to conduct programs of postsecondary occupational education;

(G) representatives of private, nonprofit elementary and secondary schools;

(H) the State employment security agency, the State agency responsible for apprenticeship programs, and other agencies within the State having responsibility for administering manpower development and training programs;

(I) the State agency responsible for economic and industrial development;

(J) persons familiar with the occupational education needs of the disadvantaged, of the handicapped, and of minority groups; and

(K) representatives of business, industry, organized labor, agriculture, and the general public.

(c) The Commissioner shall not approve any application for a grant under section 1057 of this part unless he is reasonably satisfied that the planning described in this section (whether or not assisted by a grant under this section) has been carried out.

(20 U.S.C. 1135b–5) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 318, 319.

PROGRAM GRANTS FOR STATE OCCUPATIONAL EDUCATION PROGRAMS

SEC. 1057. (a) From the allotments available to the States under section 1052(b) (upon application by the State administrative agency designated or established under section 1055), the Commissioner shall make grants to any State which has satisfied the requirements of section 1058. Such grants may be used for the following purposes—

(1) assist the State administrative agency designated or established under section 1055;

(2) the design, establishment, and conduct of programs of postsecondary occupational education (or the expansion and improvement of existing programs) as defined by section 1060 of this part;

(3) the design, establishment, and conduct of programs to carry out the long-range stategy developed pursuant to section 1056(b)(1)(D) for infusing into elementary and secondary education occupational preparation, which shall include methods of involving secondary schools in occupational placement and methods of providing followup services and career counseling and guidance for persons of all ages as a regular function of the educational system;

(4) the design of high-quality instructional programs to meet the needs for postsecondary occupational education and the development of an order of priorities for placing these programs in operation;

(5) special training and preparation of persons to equip them to teach, administer, or otherwise assist in carrying out the program authorized under this part (such as programs to prepare

journeymen in the skilled trades or occupations for teaching positions); and

(6) the leasing, renting, or remodeling of facilities required to carry out the program authorized by this part.

(b) Programs authorized by this part may be carried out through contractual arrangements with private organizations and institutions organized for profit where such arrangements can make a contribution to achieving the purposes of this part by providing substantially equivalent education, training, or services more readily or more economically, or by preventing needless duplication of expensive physical plant and equipment, or by providing needed education or training of the types authorized by this part which would not otherwise be available.

(20 U.S.C. 1135b–6) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 319, 320.

ASSURANCES; JUDICIAL REVIEW

SEC. 1058. (a) Before making any program grant under this part the Commissioner shall receive from the State Commission an assurance satisfactory to him that the planning requirements of section 1056 have been met and from the State administrative agency assurances satisfactory to him that—

(1) the State Advisory Council on Vocational Education has had a reasonable opportunity to review and make recommendations concerning the design of the programs for which the grant is requested;

(2) Federal funds made available under this part will result in improved occupational education programs, and in no case supplant State, local, or private funds;

(3) adequate provision has been made by such agency for programs described in section 1057(a)(3);

(4) provision has been made for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State under this part;

(5) to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served by an elementary or secondary school program funded under this part, provision has been made for the effective participation of such students; and

(6) reports will be made in such form and containing such information as the Commissioner may reasonably require to carry out his functions under this part.

(b)(1) Whenever the Commissioner, after reasonable notice and opportunity for a hearing to the State administrative agency, finds that any of the assurances required by subsection (a) are unsatisfactory, or that in the administration of the program there is a failure to comply with such assurances or with other requirements of the part, the Commissioner shall notify the administrative agency that no further payments will be made to the State under this part until he is satisfied there has been or will be compliance with the requirements of the part.

(2) A State administrative agency which is dissatisfied with a final action of the Commissioner under this section or under section 1055 (with respect to approval of State administration) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently but until the filing of the record the Commissioner may modify or set aside his action. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

(20 U.S.C. 1135b–7) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 320, 321.

TECHNICAL ASSISTANCE; MODEL PROGRAMS

SEC. 1059. (a) The Commissioner shall make available (to the extent practicable) technical assistance to the States in planning, designing, and carrying out the program authorized by this part upon the request of the appropriate State agency designated or established pursuant to section 1055 or section 1202 and the Commissioner shall take affirmative steps to acquaint all interested organizations, agencies, and institutions with the provision of this part and to enlist broad public understanding of its purposes.

(b) From the sums reserved to the Commissioner under section 1051, he shall by grant or contract provide assistance—

(1) for the establishment and conduct of model or demonstration programs which in his judgment will promote the achievement of one or more purposes of this part and which might otherwise not be carried out (or not be carried out soon enough or in such a way as to have the desirable impact upon the purposes of the part);

(2) as an incentive or supplemental grant to any State administrative agency which makes a proposal for advancing the purposes of this part which he feels holds special promise for meeting occupational education needs of particular groups or classes

of persons who are disadvantaged or who have special needs, when such proposal could not reasonably be expected to be carried out under the regular State program; and

(3) for particular programs or projects eligible for support under this part which he believes have a special potential for helping to find solutions to problems on a regional or national basis.

(c) In providing support under subsection (b) the Commissioner may as appropriate make grants to or contracts with public or private agencies, organizations, and institutions, but he shall give first preference to applications for projects or programs which are administered by or approved by State administrative agencies, and he shall in no case make a grant or contract within any State without first having afforded the State administrative agency reasonable notice and opportunity for comment and for making recommendations.

(20 U.S.C. 1135b–8) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 321, 322.

DEFINITIONS

SEC. 1060. For the purposes of this part—

(1) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, and (except for the purposes of subsections (a) and (b) of section 1052) American Samoa and the Trust Territory of the Pacific Islands.

(2) The term "postsecondary occupational education" means education, training, or retraining (and including guidance, counseling, and placement services) for persons sixteen years of age or older who have graduated from or left elementary or secondary school, conducted by an institution legally authorized to provide postsecondary education within a State, which is designed to prepare individuals for gainful employment as semi-skilled or skilled workers or technicians or subprofessionals in recognized occupations (including new and emerging occupations), or to prepare individuals for enrollment in advanced technical education programs, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specifies by regulation, to be generally considered professional or which require a baccalaureate or advanced degree.

(20 U.S.C. 1135b–9) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 322.

PART C—ESTABLISHMENT OF AGENCIES

ESTABLISHMENT OF BUREAU OF OCCUPATIONAL AND ADULT EDUCATION

SEC. 1071. (a) There is hereby established in the United States Office of Education a Bureau of Occupational and Adult Education hereinafter referred to as the Bureau, which shall be responsible for the administration of this title, the Vocational Education Act of 1963, including parts C and I thereof, the Adult Education Act, functions of the Office of Education relating to manpower training and development, functions of the Office relating to vocational, technical, and occupational training in community and junior colleges, and any other Act vesting authority in the Commissioner for vocational, occupational, adult and continuing education and for those portions of any legislation for career education which are relevant to the purposes of other Acts administered by the Bureau.

(b)(1) The Bureau shall be headed by a person (appointed or designated by the Commissioner) who is highly qualified in the fields of vocational, technical, and occupational education, who is accorded the rank of Deputy Commissioner, and who shall be compensated at the rate specified for grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

(2) Additional positions are created for, and shall be assigned to, the Bureau as follows:[1]

(A) Three positions to be placed in grade 17 of such General Schedule, one of which shall be filled by a person with broad experience in the field of junior and community college education,

(B) Seven positions to be placed in grade 16 of such General Schedule, at least two of which shall be filled by persons with broad experience in the field of postsecondary-occupational education in community and junior colleges, at least one of which shall be filled by a person with broad experience in education in private proprietary institutions, and at least one of which shall be filled by a person with professional experience in occupational guidance and counseling, and

(C) Three positions which shall be filled by persons at least one of whom is a skilled worker in a recognized occupation, another is a subprofessional technician in one of the branches of engineering, and the other is a subprofessional worker in one of the branches of social or medical services, who shall serve as senior advisers in the implementation of this title.

(20 U.S.C. 1135c) Enacted June 23, 1972, P.L. 92–218, sec. 186(a)(1), 86 Stat. 322, 323.

COMMUNITY COLLEGE UNIT

Sec. 1072. (a) There is established, in the Office of Education, a Community College Unit (in this section referred to as the "Unit") which shall have the responsibility for coordinating all programs administered by the Commissioner which affect, or can benefit, community colleges, including such programs assisted under this Act, and the Vocational Education Act of 1963.

(b) The Unit shall be headed by a Director who shall be placed in grade 17 of the General Schedule under section 5332 of title 5, United States Code.

(20 U.S.C. 1135c–1) Enacted June 23, 1972, P.L. 92–318, sec. 186(a)(1), 86 Stat. 323.

---

[1] Note: Sec. 186(a)(2) of P.L. 92–318 provides as follows:

"(2) The positions created by section 1071 and section 1072 of the Higher Education Act of 1965 shall be in addition to the number of positions placed in the appropriate grades under section 5108, title 5, United States Code."

TITLE XI—LAW SCHOOL CLINICAL EXPERIENCE PROGRAMS

PROGRAM AUTHORIZATION

SEC. 1101. (a) The Commissioner is authorized to enter into grants or contracts with accredited law schools in the States for the purpose of paying not to exceed 90 per centum of the cost of establishing or expanding programs in such schools to provide clinical experience to students in the practice of law, with preference being given to programs providing such experience, to the extent practicable, in the preparation and trial of cases.

(b) Such costs may include necessary expenditures incurred for—

(1) planning;

(2) training of faculty members and salary for additional faculty members;

(3) travel and per diem for faculty and students;

(4) reasonable stipends for students for work in the public service performed as part of any such program at a time other than during the regular academic year;

(5) equipment and library resources; and

(6) such other items as are allowed pursuant to regulations issued by the Commissioner.

(c) No law school may receive more than $75,000 in any fiscal year pursuant to this title.

(d) For the purpose of this title the term "accredited law school" means any law school which is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose.

(20 U.S.C. 1136) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 281, 82 Stat. 1048; amended June 23, 1972, P.L. 92–318, sec. 191, 86 Stat. 323.

APPLICATIONS

SEC. 1102. (a) A grant or contract authorized by this title may be made by the Commissioner upon application which—

(1) is made at such time or times and contains such information as he may prescribe;

(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(3) provides for making such reports, in such form and containing such information as the Commissioner may require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall allocate grants or contracts under this title in such manner as will provide an equitable distribution of such grants or contracts throughout the United States among law schools which show promise of being able to use funds effectively for the purposes of this title.

(20 U.S.C. 1136a) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 281, 82 Stat. 1048–1049; amended June 23, 1972, P.L. 92–318, sec. 191, 86 Stat. 323.

AUTHORIZATION OF APPROPRIATIONS

Sec. 1103. There are authorized to be appropriated $7,500,000 for each of the succeeding fiscal years ending prior to July 1, 1975 to carry out the purposes of this title (and planning and related activities in the initial fiscal year for such purposes).

(20 U.S.C. 1136b) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 281, 82 Stat. 1049; amended June 23, 1972, P.L. 92–318, sec. 191, 86 Stat. 323.

TITLE XII—GENERAL PROVISIONS

DEFINITIONS

Sec. 1201. As used in this Act—

(a) The term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association or, if not so accredited, (A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B) is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provision of clauses (1), (2), (4), and (5). For purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(b) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands.

(c) The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(d) The term "secondary school" means a school which provides secondary education as determined under State law except that it does not include any education provided beyond grade 12.

(e) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(f) The term "Commissioner" means the Commissioner of Education.

(g) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts of counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(h) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(i) The term "elementary school" means a school which provides elementary education including education below grade 1, as determined under State law.

(j) The term "combination of institutions of higher education" means a group of institutions of higher education that have entered into a cooperative arrangement for the purpose of carrying out a common objective, or a public or private nonprofit agency, organization, or institution designated or created by a group of institutions of higher education for the purpose of carrying out a common objective on their behalf.

(k) The term "gifted and talented children" means, in accordance with objective criteria prescribed by the Commissioner, children who have outstanding intellectual ability or creative talent.

(l) The term "school or department of divinity" means an institution or a department or a branch of an institution the program of instruction of which is designed for the education of students (A) to prepare them to become ministers of religion or to enter upon some other religious vocation (or to provide continuing training for any such vocation), or (B) to prepare them to teach theological subjects.

(20 U.S.C. 1141) Enacted Nov. 8, 1965, P.L. 89-329, Title VIII, sec. 801, 78 Stat. 1269; amended Oct. 16, 1968, P.L. 90-575, Title II, sec. 251, 293, and 294, 82 Stat. 1042 and 1050-51; amended April 13, 1970, P.L. 91-230, sec. 806(b), 84 Stat. 192; subsection (l) added June 23, 1972, P.L. 92-318, sec. 131(d)(1), 86 Stat. 260.

STATE POSTSECONDARY EDUCATION COMMISSIONS

SEC. 1202. (a) Any State which desires to receive assistance under section 1203 or title X shall establish a State Commission or designate an existing State agency or State Commission (to be known as the State Commission) which is broadly and equitably representative of the general public and public and private nonprofit and proprietary institutions of postsecondary education in the State including community colleges (as defined in title X), junior colleges, postsecondary vocational schools, area vocational schools, technical institutes, four-year institutions of higher education and branches thereof.

(b) Such State Commission may establish committees or task forces, not necessarily consisting of Commission members, and utilize existing agencies or organizations, to make studies, conduct surveys, submit recommendations, or otherwise contribute the best available expertise from the institutions, interests groups, and segments of the society most concerned with a particular aspect of the Commission's work.

(c)(1) At any time after July 1, 1973, a State may designate the State Commission established under subsection (a) as the State agency or institution required under section 105, 603, or 704. In such a case, the State Commission established under this section shall be deemed to meet the requirements of such sections for State agencies or institutions.

(2) If a State makes a designation referred to in paragraph (1)—

(A) the Commissioner shall pay the State Commission the amount necessary for the proper and efficient administration of the Commission of the functions transferred to it by reason of the designation; and

(B) the State Commission shall be considered the successor agency to the State agency or institution with respect to which the designation is made, and action theretofore taken by the State agency or institution shall continue to be effective until changed by the State Commission.

(d) Any State which desires to receive assistance under title VI or under title VII but which does not desire, after June 30, 1973, to place the functions of State Commissions under such titles under the authority of the State Commission established pursuant to subsection (a) shall establish for the purposes of such titles a State Commission which is broadly representative of the public and of institutions of higher education (including junior colleges and technical institutes) in the State. Such State Commissions shall have the sole responsibility for the administration of State plans under such titles VI and VII within such State.

(20 U.S.C. 1142a) Enacted June 23, 1972. P.L. 92-318, sec. 196, 86 Stat. 324.

COMPREHENSIVE STATEWIDE PLANNING

SEC. 1203. (a) The Commissioner is authorized to make grants to any State Commission established pursuant to section 1202(a) to enable it to expand the scope of the studies and planning required in title X through comprehensive inventories of, and studies with respect to, all public and private postsecondary educational resources in the

State, including planning necessary for such resources to be better coordinated, improved, expanded, or altered so that all persons within the State who desire, and who can benefit from, postsecondary education may have an opportunity to do so.

(b) The Commissioner shall make technical assistance available to State Commissions, if so requested, to assist them in achieving the purposes of this section.

(c) There are authorized to be appropriated such sums as may be necessary to carry out this section.

(20 U.S.C. 1142b) Enacted June 23, 1972, P.L. 92–318, sec. 196, 86 Stat. 325.

ADVISORY COUNCIL ON GRADUATE EDUCATION

SEC. 1205. (a) There is hereby established in the Office of Education an Advisory Council on Graduate Education (hereafter in this section referred to as the "Council"), consisting of the Commissioner, who shall be Chairman, of one representative each from the Office of Science and Technology in the Executive Office of the President, the National Science Foundation, and the National Foundation on the Arts and the Humanities, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall be selected from among leading authorities in the field of education, except that at least one of them shall be a graduate student.

(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to graduate education.

(20 U.S.C. 1145) Enacted Oct. 16, 1968, P.L. 90–575, title II, sec. 291, 82 Stat. 1049–1050; subsections (c) and (d) repealed Apr. 13, 1970, P.L. 91–230, sec. 401(h) and superseded by part C of title IV of P.L. 90–247, as amended.

COST OF EDUCATION DATA

SEC. 1206. The Commissioner may require as a condition of eligibility of any institution of higher education—

(1) for institutional aid, at the earliest practical date, or
(2) for student aid, after June 30, 1973,

that such institution supply such cost-of-education data as may be in the possession of such institution.

(20 U.S.C. 1145a) Enacted June 23, 1972, P.L. 92–318, sec. 197, 86 Stat. 325.

HIGHER EDUCATION AMENDMENTS OF 1968

(P.L. 90–575)

AN ACT To amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related Acts.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, with the following table of contents, may be cited as the "Higher Education Amendments of 1968".

* * * * * * *

TITLE V—MISCELLANEOUS

* * * * * * *

DUPLICATION OF BENEFITS

SEC. 506. No grant, award, or loan of assistance to any student under any Act amended by this Act shall be considered a duplication of benefits for the purposes of section 1781 of title 38, United States Code.

(20 U.S.C. 1060) Enacted Oct. 16, 1968, P.L. 90–575, Title V, sec. 506, 82 Stat. 1063.

FINANCIAL AID TO STUDENTS NOT TO BE TREATED AS INCOME OR RESOURCES UNDER CERTAIN PROGRAMS

SEC. 507. For the purpose of any program assisted under title I, IV, X, XIV, XVI, or XIX of the Social Security Act, no grant or loan to any undergraduate student for educational purposes made or insured under any program administered by the Commissioner of Education shall be considered to be income or resources.

(20 U.S.C. 1060) Enacted Oct. 16, 1968, P.L. 90–575, Title V, sec. 507, 82 Stat. 1063.

EMERGENCY INSURED STUDENT LOAN ACT OF 1969

(P.L. 91–95)

AN ACT To authorize special allowances for lenders with respect to insured student loans under title IV–B of the Higher Education Act of 1965 when necessary in the light of economic conditions in order to assure that students will have reasonable access to such loans for financing their education, and to increase the authorizations for certain other student assistance programs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Insured Student Loan Act of 1969".

INCENTIVE PAYMENTS ON INSURED STUDENT LOANS

SEC. 2. (a)(1) Whenever the Secretary of Health, Education, and Welfare determines that the limitations on interest or other conditions (or both) applicable under part B of title IV of the Higher Education Act of 1965 (Public Law 89–329) to student loans eligible for insurance by the Commissioner of Education or under a State or nonprofit private insurance program covered by an agreement under section 428(b) of such Act, considered in the light of the then current economic conditions and in particular the relevant money market, are impending or threatening to impede the carrying out of the purposes of such part B and have caused the return to holders of such loans to be less than equitable, he is hereby authorized, by regulation applicable to a three-month period specified therein, to prescribe (after consultation with the Secretary of the Treasury and the heads of other appropriate agencies) a special allowance to be paid by the Commissioner of Education to each holder of an eligible loan or loans. The amount of such allowance to any holder with respect to such period shall be a percentage, specified in such regulation, of the average unpaid balance of disbursed principal (not including interest added to principal) of all eligible loans held by such holder during such period, which balance shall be computed in a manner specified in such regulation; but no such percentage shall be set at a rate in excess of 3 per centum per annum.

(2) A determination pursuant to paragraph (1) may be made by the Secretary of Health, Education, and Welfare, on a national, regional, or other appropriate basis and the regulations based thereon may, accordingly, set differing allowance rates for different regions or other areas or classifications of lenders, within the limit of the maximum rate set forth in paragraph (1).

(3) For each three-month period with respect to which the Secretary of Health, Education, and Welfare prescribes a special allowance, the determination required by paragraph (1) shall be made, and the percentage rate applicable thereto shall be set, by promulgation of a new regulation or by amendment to a regulation applicable to a prior period or periods.

(4) The special allowance established for any such three-month period shall be payable at such time, after the close of such period, as may be specified by or pursuant to regulations promulgated under this Act. The holder of a loan with respect to which any such allowance is to be paid shall be deemed to have a contractual right, as against the United States, to receive such allowance from the Commissioner.

(5) Each regulation or amendment, prescribed under this Act, which establishes a special allowance with respect to a three-month period specified in the regulation or amendment shall, notwithstanding section 505 of the Higher Education Amendments of 1968, apply to the three-month period immediately preceding the period in which such regulation or amendment is published in the Federal Register, except that the first such regulation may be made effective as of August 1, 1969, and notwithstanding other provisions of this section requiring a three-month period, may be made effective for a period of less than three months.

(6)(A) The Secretary of Health, Education, and Welfare shall determine, with respect to the student insured loan program as authorized under part B of title IV of the Higher Education Act of 1965 and this Act, whether there are any practices of lending institutions which may result in discrimination against particular classes or categories of students, including the requirement that as a condition to the receipt of a loan the student or his family maintain a business relationship with the lender, the consequences of such requirement, and the practice of refusing to make loans to students for their freshman year of study, and also including any discrimination on the basis of sex, color, creed, or national origin. The Secretary shall make a report with respect to such determination, and his recommendations, to the Congress on or before March 1, 1970.

(B) If, after making such determination, the Secretary finds that, in any area, a substantial number of eligible students are denied a fair opportunity to obtain an insured student loan because of practices of lending institutions in the area which limit student participation, (i) he shall take such steps as may be appropriate, after consultation with the appropriate State guarantee agencies and the Advisory Council on

Financial Aid to Students, relating to such practices and to encourage the development in such area of a plan to increase the availability of financial assistance opportunities for such students, and (ii) he shall, within sixty days after making such determination, adopt or amend appropriate regulations pertaining to the student insured loan program to prevent, where practicable, and practices which he finds have denied loans to a substantial number of students.

(7) As used in this Act, the term "eligible loan" means a loan made on or after August 1, 1969, and prior to July 1, 1975 which is insured under title IV–B of the Higher Education Act of 1965, or made under a program covered by an agreement under section 428(b) of such Act.

(b) The Commissioner of Education shall pay the holder of an eligible loan, at such time or times as are specified in regulations, a special allowance prescribed pursuant to subsection (a), subject to the condition that such holder shall submit to the Commissioner, at such time or times and in such manner as he may deem proper, such information as may be required by regulation for the purpose of enabling the Secretary of Health, Education, and Welfare and the Commissioner to carry out their functions under this Act and to carry out the purposes of this Act.

(c)(1) There are hereby authorized to be appropriated for special allowances as authorized by this section not to exceed $20,000,000 for the fiscal year ending June 30, 1970, $40,000,000 for the fiscal year ending June 30, 1971, and for succeeding fiscal years such sums as may be necessary.

(2) Sums available for expenditure pursuant to appropriations made for the fiscal year ending June 30, 1969, under section 421(b) (other than clause (1) thereof) of the Higher Education Act of 1965 shall be available for payment of special allowances under this Act. The authorization in paragraph (1) shall be reduced by the amount made available pursuant to this paragraph.

LAND-GRANT COLLEGES

FIRST MORRILL ACT

AN ACT Donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there be granted to the several States, for the purposes hereinafter mentioned, an amount of public land, to be apportioned to each State a quantity equal to thirty thousand acres for each Senator and Representative in Congress to which the States are respectively entitled by the apportionment under the census of 1860: *Provided*, That no mineral lands shall be selected or purchased under the provisions of this act.

(7 U.S.C. 301) Enacted July 2, 1862, ch. 130, sec. 1, 12 Stat. 503.

SEC. 2. *And be it further enacted*, That the land aforesaid, after being surveyed, shall be apportioned to the several States in sections or subdivisions of sections, not less than one-quarter of a section; and wherever there are public lands in a State, subject to sale at private entry at one dollar and twenty-five cents per acre, the quantity to which said State shall be entitled shall be selected from such lands, within the limits of such State; and the Secretary of Interior is hereby directed to issue to each of the States, in which there is not the quantity of public lands subject to sale at private entry, at one dollar and twenty-five cents per acre, to which said State may be entitled under the provisions of this act, land script to the amount in acres for the deficiency of its distributive share; said script to be sold by said States and the proceeds thereof applied to the uses and purposes prescribed in this act, and for no other purposes whatsoever: *Provided*, That in no case shall any State to which land script may thus be issued be allowed to locate the same within the limits of any other State, or of any territory of the United States; but their assignees may thus locate said land script upon any of the unappropriated lands of the United States subject to sale at private entry, at one dollar and twenty-five cents, or less, an acre: *And provided further*, That not more than one million acres shall be located by such assignees in any one of the States: *And provided further*, That no such location shall be made before one year from the passage of this act.

(7 U.S.C. 302) Enacted July 2, 1862, ch. 130, sec. 2, 12 Stat. 503.

SEC. 3. *And be it further enacted*, That all the expenses of management, superintendence, and taxes from date of selection of said lands, previous to their sales, and all expenses incurred in the management and disbursement of moneys which may be received therefrom, shall be paid by the States to which they may belong, out of the treasury of said States, so that the entire proceeds of the sale of said lands shall be applied, without any diminuation whatever, to the purposes hereinafter mentioned.

(7 U.S.C. 303) Enacted July 2, 1862, ch. 130, sec. 3, 12 Stat. 504.

SEC. 4. That all moneys derived from the sale of lands aforesaid by the States to which lands are apportioned and from the sale of land scrip hereinbefore provided for shall be invested in bonds of the United States or of the States or some other safe bonds; or the same may be invested by the States having no State bonds in any manner after the legislatures of such States shall have assented thereto and engaged that such funds shall yield a fair and reasonable rate of return, to be fixed by the State legislatures, and that the principal thereof shall forever remain unimpaired: *Provided*, That the moneys so invested or loaned shall constitute a perpetual fund, the capital of which shall remain forever undiminished (except so far as may be provided in section 5 of this act), and the interest of which shall be inviolably appropriated, by each State which may take and claim the benefit of this act, to the endowment, support, and maintneance of at least one college where the leading object shall be, without excluding other scientific and classical studies and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts, in such manner as the legislatures of the States may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.

(7 U.S.C. 304) Enacted July 2, 1862, ch. 130, sec. 4, 12 Stat. 504; amended Mar. 3, 1883, ch. 102, 22 Stat. 484; amended Apr. 13, 1926, P.L. 113, 69th Cong., 44 Stat. 247.

SEC. 5. *And be it further enacted*, That the grant of land and land scrip hereby authorized shall be made on the following conditions, to which, as well as the provisions hereinbefore contained, the previous assent of the several States shall be signified by legislative acts:

First. If any portion of the fund invested, as provided by the foregoing section, or any portion of the interest thereon, shall, by any action or contingency, be diminished or lost, it shall be replaced by the State to which it belongs, so that the capital of the fund shall remain forever undiminished; and the annual interest shall be regularly applied without diminution to the purposes mentioned in the fourth section of this act, except that a sum, not exceeding 10 per centum upon the amount received by any State under the provisions of this act, may be expended for the purchase of lands for sites or experimental farms, whenever authorized by the respective legislatures of said States;

Second. No portion of said fund, nor the interest thereon, shall be applied, directly or indirectly, under any pretense whatsoever, to the purchase, erection, preservation, or repair of any building or buildings;

Third, Any State which may take and claim the benefit of the provisions of this act shall provide, within five years, at least not less than one college, as prescribed in the fourth section of this act, or the grant to such State shall cease; and said State shall be bound to pay the United States the amount received of any lands previously sold, and that the title to purchasers under the State shall be vaild;

Fourth. An annual report shall be made regarding the progress of each college, recording any improvements and experiments made, with their costs and results, and such other matters, including State industrial and economical statistics, as may be supposed useful; one copy of which shall be transmitted by mail free, by each, to all the other colleges which may be endowed under the provisions of this act, and also one copy to the Secretary of the Interior;

Fifth. When lands shall be selected from those which have been raised to double the minimum price in consequence of railroad grants, they shall be computed to the States at the maximum price, and the number of acres proportionately diminished;

Sixth. No State, while in a condition of rebellion or insurrection against the Government of the United States, shall be entitled to the benefit of this act;

Seventh. No State shall be entitled to the benefits of this act unless it shall express acceptance thereof by its legislature within three years from July 23, 1866: *Provided*, That when any Territory shall become a State and be admitted into the Union such new State shall be entitled to the benefits of the said act of July second, eighteen hundred and sixty-two, by expressing the acceptance therein required within three years from the date of its admission into the Union, and providing the college or colleges within five years after such acceptance, as prescribed in this act.

(7 U.S.C. 305) Enacted July 2, 1862, ch. 130, sec. 5, 12 Stat. 504; amended Mar. 3, 1873, ch. 231, sec. 3, 17 Stat. 559.

SEC. 6. * * *

(7 U.S.C. 306) Enacted July 2, 1862, ch. 130, sec. 6, 12 Stat. 505; repealed Dec. 16, 1930, P.L. 547, 71st Cong., sec. 1, 46 Stat. 1028.

SEC. 7. *And be it further enacted*, That land officers shall receive the same fees for locating land scrip issued under the provisions of this act as is now allowed for the location of military bounty land warrants under existing laws: *Provided*, That their maximum compensation shall not be thereby increased.

(7 U.S.C. 307) Enacted July 2, 1862, ch. 130, sec. 7, 12 Stat. 505.

SEC. 8. *And be it further enacted*, That the governors of the several States to which scrip shall be issued under this act shall be required to report annually to Congress all sales made of such scrip until the whole shall be disposed of, the amount received for the same, and what appropriation has been made of the proceeds.

(7 U.S.C. 308) Enacted July 2, 1862, ch. 130, sec. 8, 12 Stat. 505.

LEGISLATIVE HISTORY

FIRST MORRILL ACT

_37th Congress_*—S. 298: Reported, p. 496, May 16, 1862; amended and passed Senate, p. 628, June 10, 1862. Passed House, p. 880, June 17, 1862. Approved, p. 473, July 2, 1862.

Amendments (amends First Morrill)

_38th Congress_*—S. 12: Passed Senate, p. 118, Jan. 2, 1864. House reported, p. 428, Mar. 25, 1864. Passed House, p. 504, Mar. 25, 1864.

_39th Congress_*—H.R. 50: House reported, p. 161, Jan. 18, 1866; second report, with amendment, p. 441, Mar. 21, 1866; third report, with amendment, p. 538, Apr. 10, 1866; fourth report, with amendment, p. 542, Apr. 11, 1866. Amended and passed, p. 543, Apr. 11, 1866. Senate reported, p. 626, July 7, 1866. Amended and passed, p. 636. July 11, 1866. House concurred with Senate amendment, p. 1044, July 18, 1866. Approved, p. 1088, July 23, 1866.

_42d Congress_*—S. 964: Senate report, p. 541, April 12, 1872. Passed Senate, p. 636, Apr. 30, 1872. House reported without amending, Jan. 16, 1873. Passed House, p. 182, Jan. 16, 1873. Approved, p. 182, Mar. 3, 1872.

_47th Congress_*—S. 1829: Senate reported, p. 879, June 27, 1882. Amended and passed Senate, p. 879, June 27, 1882. Passed House, p. 539, Mar. 2, 1883. Approved, p. 655, Mar. 3, 1883.

SECOND MORRILL ACT

AN ACT To apply a portion of the proceeds of the public lands to the more complete endowment and support of the colleges for the benefit of agriculture and mechanic arts established under the provisions of an act of Congress approved July second, eighteen hundred and sixty-two

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be, and hereby is, annually appropriated, out of any money in the Treasury not otherwise appropriated, to be paid as hereinafter provided, to each State and Territory for the more complete endowment and maintenance of agricultural colleges now established, or which may hereafter be established, in accordance with the act of Congress approved July second, eighteen hundred and sixty-two, and the act of Congress appproved August thirtieth, eighteen hundred and ninety, the sum of five thousand dollars, in addition to the sums named in said act for the fiscal year ending June thirtieth, nineteen hundred and eight, and an annual increase of the amount of such appropriation thereafter for four years by an additional sum of five thousand dollars over the preceding year, and the annual sum to be paid thereafter to each State and Territory shall be fifty thousand dollars, to be applied only to instruction in agriculture, the mechanic arts, the English language and the various branches of mathematical, physical, natural, and economic science, with special reference to their applications in the industries of life, and to the facilities for such instruction: *Provided*, That said colleges may use a portion of this money for providing courses for the special preparation of instructors for teaching the elements of agriculture and the mechanic arts: *Provided*, That no money shall be paid out under this act to any State or Territory for the support and maintenance of a college where a distinction of race or color is made in the admission of students, but the establishment and maintenance of such colleges separately for white and colored students shall be held to be a compliance with the provisions of this act if the funds received in such State or Territory be equitably divided as hereinafter set forth: *Provided*, That in any State in which there has been one college established in pursuance of the act of July second, eighteen hundred and sixty-two, and also in which an educational institution of like character has been established, or may be hereafter established, and is on August 30, 1890 aided by such State from its revenue, for the education of colored students in agriculture and the mechanic arts, however named or styled, or whether or not it has received money prior to August 30, 1890, under the said act, the legislature of such a State may propose and report to the Secretary of Health, Education, and Welfare a just and equitable division of the fund to be received under this act between one college for white students and one institution for colored students established as aforesaid, which shall be divided into two parts and paid accordingly, and thereupon such institution for colored students shall be entitled to the benefits of this act and subject to its provisions, as much as it would have been if it had been included under the act of eighteen hundred and sixty-two, and the fulfillment of the foregoing provisions shall be taken as a compliance with the provision in reference to separate colleges for white and colored students.

---

*Asterisks refer to page numbers in House and Senate Journals.

(7 U.S.C. 322, 323) Enacted Aug. 30, 1890, ch. 841, sec. 1, 26 Stat. 417; amended Mar. 4, 1907, P.L. 242, 59th Cong., 34 Stat. 1282; authority transferred with the Office of Education to the Federal Security Agency July 1, 1939, 1939 Reorg. Plan No. 1, secs. 201, 204, 4 F.R. 2728, 53 Stat. 1424; transferred to the Dept. of H.E.W. Apr. 11, 1953, 1953 Reorg. Plan No. 1, secs. 5, 8, 18 F.R. 2053, 67 Stat. 631.

SEC. 2. That the sums hereby appropriated to the States and Territories for the further endowment and support of colleges shall be annually paid on or before the thirty-first day of July of each year, by the Secretary of the Treasury, upon the warrant of the Secretary of Health, Education, and Welfare, out of the Treasury of the United States, to the State or Territorial treasurer, or to such officer as shall be designated by the laws of such State or Territory to receive the same, who shall, upon the order of the trustees of the colleges, or the institution for colored students, immediately pay over said sums to the treasurers of the respective colleges or other institutions entitled to receive the same, and such treasurers shall be required to report to the Secretary of Agriculture and to the Secretary of Health, Education, and Welfare, on or before the first day of September of each year, a detailed statement of the amount so received and of its disbursement. The grants of moneys authorized by this Act are made subject to the legislative assent of the several States and Territories to the purpose of said grants: *Provided*, That payments of such installments of the appropriation herein made as shall become due to any State before the adjournment of the regular session of legislature meeting next after the passage of this Act shall be made upon the assent of the governor thereof, duly certified to the Secretary of the Treasurer.

(7 U.S.C. 324) **Enacted Aug. 30, 1890, ch. 841, sec. 2, 26 Stat. 418.**

SEC. 3. That if any portion of the moneys received by the designated officer of the State or Territory for the further and more complete endowment, support, and maintenance of colleges, or of institutions for colored students, as provided in this act, shall, by any action or contingency, be diminished or lost, or be misapplied, it shall be replaced by the State or Territory to which it belongs, and until so replaced no subsequent appropriation shall be apportioned or paid to such State or Territory; and no portion of said moneys shall be applied, directly or indirectly, under any pretense whatever, to the purchase, erection, preservation, or repair of any building or buildings. An annual report by the president of each of said colleges shall be made to the Secretary of Agriculture, as well as to the Secretary of Health, Education, and Welfare, regarding the condition and progress of each college, including statistical information in relation to its receipts and expenditures, its library, the number of its students and professors, and also as to any improvements and experiments made under the direction of any experiment stations attached to said colleges, with their costs and results, and such other industrial and economical statistics as may be regarded as useful, one copy of which shall be transmitted by mail free to all other colleges further endowed under this act.

(7 U.S.C. 325) **Enacted Aug. 30, 1890, ch. 841, sec. 3, 26 Stat. 418.**

SEC. 4. That on or before the first day of July in each year, after the passage of this act, the Secretary of Health, Education, and Welfare shall ascertain and certify to the Secretary of the Treasury as to each State and Territory whether it is entitled to receive its share of the annual appropriation for colleges, or of institutions for colored students, under this act, and the amount which thereupon each is entitled, respectively, to receive. If the Secretary of Health, Education, and Welfare shall withhold a certificate for any State or Territory of its appropriation, the fact and reasons therefor shall be reported to the President, and the amount involved shall be kept separate in the Treasury until the close of the next Congress, in order that the State or Territory, may, if it should so desire, appeal to Congress from the determination of the Secretary of Health, Education, and Welfare. If the next Congress shall not direct such sum to be paid, it shall be covered into the Treasury. And the Secretary of Health, Education, and Welfare is hereby charged with the proper administration of this law.

(7 U.S.C. 321, 326) **Enacted Aug. 30, 1890, ch. 841, sec. 4, 26 Stat. 419.**

SEC. 5. There is authorized to be appropriated annually for payment to the Virgin Islands and Guam the amount they would receive under this Act if they were States. Sums appropriated under this section shall be treated in the same manner and be subject to the same provisions of law, as would be the case if they had been appropriated by the first sentence of this Act.

(7 U.S.C. 327) Enacted June 23, 1972, P.L. 92–318, sec. 506(c), 86 Stat. 350.

SEC. 6. Congress may at any time amend, suspend, or repeal any or all of the provisions of this act.

(7 U.S.C. 328) Enacted Aug. 30, 1890, ch. 841, sec. 5, 26, Stat. 419.

LEGISLATIVE HISTORY

SECOND MORRILL ACT

51st Congress—S. 3714; S. Rept. 1028, p. 4821; amended and passed Senate, p. 6372, June 23, 1890, H. Rept. 2697, p. 7228; amended and passed House, p. 8839, Aug. 19, 1890. Senate concurs in House amendment, p. 8874, Aug. 20, 1890. Approved, p. 9388. Aug. 28, 1890.

59th Congress—P.L. 59–242, H.R. 24815; H. Rept. 6597; amended and passed House, p. 1987, Jan. 30, 1907. S. Rept. 6829; amended and passed Senate, p. 3888, Feb. 25, 1907. Second Conference report agreed to: p. 4531, Mar. 2, 1907; p. 4545, Mar. 3, 1907. Approved Mar. 4, 1907.

70th Congress—H.R. 12064 (repeals sec. 5 of Second Morrill Act, P.L. 70–611): H. Rept. 1757, p. 9134; amended and passed House, p. 9417, May 21, 1928. S. Rept. 1320, p. 10204; amended and passed Senate, p. 10616, May 29, 1928. House concurs in Senate amendment, p. 10741, May 29, 1928. Approved May 29, 1928, p. 10888.

BANKHEAD-JONES ACT

AN ACT Providing for research into basic laws and principles relating to agriculture, further development of cooperative agricultural extension work, and more complete endowment and support of land-grant colleges.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

* * * * * * *

SEC. 22. In order to provide for the more complete endowment and support of the colleges in the several States, Puerto Rico, the Virgin Islands, and Guam entitled to the benefits of the Act entitled "An Act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic acts," approved July 2, 1862, as amended and supplemented (7 U.S.C. 301–328), there are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriate, the following amounts:

(a) For the first fiscal year beginning after the date of enactment of this Act, and for each fiscal year thereafter, $8,100,000; and

(b) For the first fiscal year beginning after the date of enactment of this Act, and for each fiscal year thereafter $4,360,000.

The sums appropriated in pursuance of paragraph (a) shall be paid annually to the several States, Puerto Rico, the Virgin Islands, and Guam in equal shares. The sums appropriated in pursuance of paragraph (b) shall be in addition to sums appropriated in pursuance of paragraph (a) and shall be allotted and paid annually to each of the several States, Puerto Rico, the Virgin Islands, and Guam in the proportion to which the total population of each State, Puerto Rico, the Virgin Islands, and Guam bears to the total population of all the

States, Puerto Rico, the Virgin Islands, and Guam as determined by the last preceding decennial census. Sums appropriated in pursuance of this section shall be in addition to sums appropriated or authorized under such Act of July 2, 1862, as amended and supplemented, and shall be applied only for the purposes of the colleges defined in such Act, as amended and supplemented. The provisions of law applicable to the use and payment of sums under the Act entitled "An Act to apply a portion of the proceeds of the public lands to the more complete endowment and support of the colleges for the benefit of agriculture and the mechanic arts established under the provisions of an Act of Congress approved July 2, 1862," approved August 30, 1890, as amended and supplemented, shall apply to the use and payment of sums appropriated in pursuance of this section.

(7 U.S.C. 329) Enacted June 29, 1935, P.L. 182, 74th Cong., sec. 22, 49 Stat. 439; amended June 29, 1952, P.L. 390, 82nd Cong., secs. 1–4, 66 Stat. 135, amended July 14, 1960, P.L. 86–658, sec. 1, 74 Stat. 525; amended June 23, 1972, P.L. 92–318, sec. 506(d), 86 Stat. 350, 351.

Education Amendments of 1972 (Public Law 92–318)

LAND-GRANT STATUS FOR THE COLLEGE OF THE VIRGIN ISLANDS AND THE UNIVERSITY OF GUAM

Sec. 506. (a) The College of the Virgin Islands and the University of Guam shall be considered land-grant colleges established for the benefit of agriculture and mechanic arts in accordance with the provisions of the Act of July 2, 1862, as amended (12 Stat. 503; 7 U.S.C. 301–305, 307, 308).

(b) In lieu of extending to the Virgin Islands and Guam those provisions of the Act of July 2, 1862, as amended, relating to donations of public land or land scrip for the endowment and maintenance of colleges for the benefit of agriculture and the mechanic arts, there is authorized to be appropriated $3,000,000 to the Virgin Islands and $3,000,000 to Guam. Amounts appropriated pursuant to this section shall be held and considered to have been granted to the Virgin Islands and Guam subject to the provisions of that Act applicable to the proceeds from the sale of land or land scrip.

Enacted June 23, 1972, P.L. 92–318, sec. 506, 86 Stat. 350.

PART IV—EDUCATIONAL RESEARCH, EXPERIMENTATION, AND NATIONAL EDUCATION PRIORITIES

Cooperative Research Act (P.L. 531, 83rd Cong.), as Amended [1]

AN ACT To authorize cooperative research in education

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PURPOSE

Sec. 1. The purpose of this Act is to enable the Office of Education more effectively to accomplish the purposes and to perform the duties for which it was originally established.

---

[1] Effective July 1, 1975, the Cooperative Research Act is replaced by the provisions of the Special Projects Act, *q.v.*

(20 U.S.C. 331) Provision with similar authority enacted July 26, 1954, P.L. 531, 83rd Cong., sec. 1(a), 68 Stat. 533. Enacted April 11, 1965, P.L. 89-10, Title IV, sec. 401, 79 Stat. 44, as sec. 1 of P.L. 531, 83rd Con.

EDUCATIONAL RESEARCH AND RESEARCH TRAINING

SEC. 2(a)(1). In order to assist the Commissioner in carrying out the purpose and duties of the Office of Education, the Commissioner is authorized, during the period beginning July 1, 1972, and ending June 30, 1976, to make grants to, and contracts with, public and private institutions, agencies, and organizations for the dissemination of information, for surveys, for exemplary projects in the field of education, and for the conduct of studies related to the management of the Office of Education, except that no such grant may be made to a private agency, organization, or institution other than a nonprofit one.

(2) No grant shall be made or contract or jointly financed cooperative arrangement entered into under this subsection until the Commissioner has obtained the advice and recommendations of a panel of specialists who are not employees of the Federal Government and who are competent to evaluate the proposals as to the soundness of their design, the possibilities of securing productive results, the adequacy of resources to conduct the proposed research, surveys, or demonstrations, and their relationship to other similar educational research or dissemination progams already completed or in progress.

(d) The Commissioner shall transmit to the Congress annually a report concerning the research, surveys, and demonstrations, the information disseminating activities, and the training in research initiated under this Act, the recommendations made by research specialists pursuant to subsection (a)(2), and any action taken with respect to such recommendations.

(e)(1) The Commissioner shall establish in the Office of Education an Advisory Council on Research and Development, consisting of fifteen members appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary of Health, Education, and Welfare. The Commissioner shall appoint one such member as Chairman. Such members shall include persons recognized as authorities in the field of educational research and development or in related fields.

(2) The Advisory Council shall advise the Commissioner with respect to matters of general policy arising in the administration of this Act.

(20 U.S.C. 331a) Provisions with similar authority enacted July 26, 1954, P.L. 531, 83d Cong., sec. 1, 68 Stat. 533. Enacted April 11, 1965, P.L. 89-10, Title IV; sec. 401, 79 Stat. 44, as sec. 2 of P.L. 531, 83d Cong.; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 141, 80 Stat. 1202; amended Jan. 2, 1968, P.L. 90-247, Title VII, sec. 706, 81 Stat. 820, amended April 13, 1970, P.L. 91-230, Title I, sec. 143(c). Title VIII, secs. 808, 809(c), 84 Stat. 151, 193, 194; amended June 23, 1972, P.L. 92-318, sec. 303(a)(1), 86 Stat. 333; subsections (b) and (c) repealed June 23, 1972, P.L. 92-318, sec. 303(a)(1), 86 Stat. 333.

SEC. 3. There are authorized to be appropriated for purposes of section 2, $58,000,000 for the fiscal year ending June 30, 1973, $68,000,000 for the fiscal year ending June 30, 1974, and $78,000,000 for the fiscal year ending June 30, 1975.

(20 U.S.C. 332) Enacted July 26, 1954, P.L. 531, 83rd Cong., sec. 2, 68 Stat. 533; redesignated as sec. 3 and amended April 11, 1965, P.L. 89-10, Title IV, secs. 401-402, 79 Stat. 44, 46; amended June 23, 1972, P.L. 92-318, sec. 303(a)(2), 86 Stat. 333.

CONSTRUCTION OF REGIONAL FACILITIES FOR RESEARCH AND RELATED PURPOSES

Sec. 4. (a) There is authorized to be appropriated over a period of five fiscal years beginning with the fiscal year ending June 30, 1966, $100,000,000 in the aggregate, to enable the Commissioner to carry out the purposes of this section. Sums so appropriated shall remain available until expended for payments with respect to projects for which applications have been filed under this section before July 1, 1970, and approved by the Commissioner before July 1, 1974.

(b) Whenever the Commissioner finds that the purposes of this Act can best be achieved through the construction of a facility for research, or for research and related purposes (as defined in this section), and that such facility would be of particular value to the Nation or a region thereof as a national or regional resource for research or related purposes, he may make a grant for part or all of the cost of constructing such facility to a university, college, or other appropriate public or nonprofit private agency or institution competent to engage in the types of activity for which the facility is to be constructed, or to a combination of such agencies or institutions, or may construct or make arrangements for constructing such facility through contracts for paying part or all of the cost of construction or otherwise. Title to any facility constructed under this section, if vested in the United States, may be transferred by the Commissioner on behalf of the United States to any such college or university or other public or nonprofit private agency or institution, but such transfer shall be made subject to the condition that the facility will be operated for the purposes for which it was constructed and to such other conditions as the Commissioner deems necessary to carry out the objectives of this title and to protect the interests of the United States.

(d) Payments under this section shall be made in advance or by way of reimbursement, in such installments consistent with construction progress, and on such conditions as the Commissioner may determine.

(e) As used in this section, the term "research and related purposes" means research, research training, surveys, or demonstrations in the field of education, or the dissemination of information derived therefrom, or all of such activities, including (but without limitation) experimental schools, except that such term does not include research, research training, surveys, or demonstrations in the field or sectarian instruction or the dissemination of information derived therefrom.

(20 U.S.C. 332a) Enacted April 11, 1965, P.L. 89-10, Title IV, sec. 403, 79 Stat. 46; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 142, 80 Stat. 1203; subsection (c) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401(g)(2), 84 Stat. 174, and superseded by Title VIII, sec. 423 of P.L. 90–247, Title IV, as amended (20 U.S.C. 1232(b)); sec. 4(a) amended April 13, 1970, P.L. 91–230, sec. 810, 84 Stat. 194.

DEFINITIONS

Sec. 5. As used in this Act—

(1) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands.

(2) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(3) The term "nonprofit" as applied to any agency, organization, or institution means an agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(4) The terms "construction" and "cost of construction" include (A) the construction of new buildings, and the aquisition, expansion remodeling, replacement and alteration of existing buildings, including architects' fees, but not including the cost of acquisition of land (except in the case of acquisition of an existing building) or off-site improvements, and (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered.

(20 U.S.C. 332b) Enacted April 11, 1965, P.L. 89–10, Title IV, sec. 403, 79 Stat. 47; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 143, 80 Stat. 1203.

SHORT TITLE

Sec. 6. This Act may be cited as the "Cooperative Research Act."

Special Projects Act

AN ACT to authorize special projects, surveys, and studies by the Office of Education

PURPOSE

Sec. 2. It is the purpose of this Act to authorize the Commissioner of Education (hereinafter referred to as the "Commissioner") to carry out special projects—

(1) to experiment with new educational and administrative methods, techniques, and practices;

(2) to meet special or unique educational needs or problems; and

(3) to place special emphasis on national education priorities.

(20 U.S.C. 1851) Enacted August 21, 1974, P.L. 93–380, sec. 402(a)(1), 88 Stat. 544.

CONTRACTING AUTHORITY

Sec. 3. (a) The Commissioner is authorized, during the period beginning July 1, 1975, and ending June 30, 1978, to make contracts with public and private agencies, organizations, associations, institutions, and with individuals in order to carry out the purposes of this Act as set forth in section 2.

(b) In exercising his authority under this section, the Commissioner shall comply with such priorities and preferences as may be expressly provided by law, with respect to this section.

(20 U.S.C. 1852) Enacted August 21, 1974, P.L. 93–380, sec. 402(a)(1), 88 Stat. 544, 545.

APPROPRIATIONS

SEC. 4. (a)(1) In order to enable the Commissioner to make contracts under section 3, there is authorized, subject to subsection (b), to be appropriated to the Office of Education $200,000,000 for the fiscal year ending June 30, 1976, and each of the two succeeding fiscal years.

(2) Sums appropriated pursuant to paragraph (1) shall, notwithstanding any other provisions of law, unless enacted in express limitation of this paragraph, remain available until expended.

(b)(1) Not later than February 1 of each year, the Commissioner shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate a plan in accordance with which the Commissioner has determined to expend funds to be appropriated for the succeeding fiscal year. Such plan shall be accompanied by a report describing each contract made during the calendar year preceding that fiscal year under the authority of this Act involving an expenditure in excess of $100,000.

(2)(A) The funds appropriated pursuant to subsection (a), for any fiscal year shall be expended in accordance with the plan submitted for that year pursuant to paragraph (1), unless prior to sixty days after the submission of such plan, either the Committee on Education and Labor of the House of Representatives or the Committee on Labor and Public Welfare of the Senate adopts a resolution disapproving such plan.

(B) If either or both such committees adopts a resolution of disapproval as provided in subparagraph (A), the Commissioner shall, not later than fifteen days after the adoption of any such resolution, submit a new plan in accordance with paragraph (1) and subparagraph (A).

(20 U.S.C. 1853) Enacted August 21, 1974, P.L. 93-380, sec. 402(a)(1), 88 Stat. 545.

Provisions of P.L. 93-380 which relate to the Special Projects Act. (Section numbers are sections of P.L. 93-380.)

SEC. 402. * * *

(a) * * *

(b)(1) In carrying out his functions under section 3 of the Special Projects Act, the Commissioner shall reserve not less than 50 per centum of the sums appropriated pursuant to section 4 of such Act for the purposes given preference under paragraph (3) of this subsection and apportioned in accordance with paragraph (2) of this subsection. With respect to the funds to which this paragraph applies, the Commissioner's authority under such section 3 shall include authority to make grants as well as contracts.

(2) Except as is otherwise provided with respect to section 409, the Commissioner shall apportion an amount for each of the purposes set forth in paragraph (3) which bears the same ratio to the sums reserved pursuant to paragraph (1) as the amount permitted to be expended for each such purpose bears to the aggregate of the amounts permitted to be expended for all such purposes.

(3) The sums reserved pursuant to paragraph (1) shall be expended for programs otherwise authorized by an applicable statute and described in the following subparagraphs:

Education for the Use of the Metric System of Measurement

(A) A program to encourage educational agencies and institutions to prepare students to use the metric system of measurement, as provided in section 403.

Gifted and Talented Children

(B) A program for the education of gifted and talented children through grants to the States for such purpose, as provided in section 404 (except subsection (f) thereof).

Community Schools

(C) A program of grants to local educational agencies to assist them in planning, establishing, expanding, and operating community education programs, as provided in section 405.

Career Education

(D) A program to assess, and to encourage establishment and operation of, career education programs, as provided in section 406.

Consumers' Education

(E) A program of grants and contracts designed to provide consumer education to the public, as provided in section 811 of the Elementary and Secondary Education Act of 1965.

Women's Equity in Education

(F) A program of grants and contracts designed to provide educational equity for women in the United States, as provided in section 408.

Arts in Education Programs

(G) A program of grants and contracts designed to assist and encourage the use of the arts in elementary and secondary school programs as provided in section 409.

(4) No appropriation may be made for any fiscal year for the purposes of section 811 of the Elementary and Secondary Education Act of 1965 or sections 403, 404, 405, 406, 408, and 409 of this Act during which funds are available for the purposes of such sections under the provisions of this subsection.

(c)(1) The amendments made by subsection (a) and the provisions of subsection (b) shall be effective on and after July 1, 1975.

(2) Effective July 1, 1975, title III of the Elementary and Secondary Education Act of 1965 is amended—

(i) by striking out section 305(d);
(ii) by striking out section 306; and
(iii) by striking out section 307(c).

(3) Effective July 1, 1975, section 809 of the Elementary and Secondary Education Act of 1965, is repealed.

(20 U.S.C. 1851) Enacted August 21, 1974, P.L. 93-380, sec. 402, 88 Stat. 544, 546.

EDUCATION FOR THE USE OF THE METRIC SYSTEM OF MEASUREMENT

SEC. 403. (a) (1) The Congress finds that—

(A) the metric system of measurement is in general use in industrially developed nations and its use is increasing;

(B) increased use of such metric system in the United States is inevitable, and such a metric system will become the dominant system of weights and measures in the United States; and

(C) there is no existing Federal program designed to teach children to use such metric system and such a program is necessary if the American people are to adapt to the use of the metric system of weights and measures.

(2) It is the policy of the United States to encourage educational agencies and institutions to prepare students to use the metric system of measurement with ease and facility as a part of the regular education program.

(3) For the purposes of this section, the term "metric system of measurement" means the International System of Units as established by the General Conference of Weights and Measures in 1960 and interpreted or modified for the United States by the Secretary of Commerce.

(b) (1) The Commissioner shall carry out a program of grants and contracts in order to encourage educational agencies and institutions to prepare students to use the metric system of measurement.

(2) The Commissioner is authorized to make grants to, and contracts with, institutions of higher education, State and local educational agencies, and other public and private nonprofit agencies, organizations, and institutions to develop and carry out the policy set forth in subsection (a).

(c) (1) Financial assistance under this section may be made available only upon application to the Commissioner. Any such application shall be submitted at such time, in such form, and containing such information as the Commisisoner shall prescribe by regulation and shall be approved only if it—

(A) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

(B) describes a program which holds promise of making a substantial contribution toward attaining the purposes of this section;

(C) sets forth such policies and procedures as will insure adequate evaluation of the activities intended to be carried out under the application; and

(D) contains such other provisions as the Commissioner determines necessary in order to accomplish the purposes of this title.

(2) An application from a local education agency under this section may be approved only if the State educational agency of the State in which such local agency is located has been notified of the application and has been given a reasonable opportunity to offer recommendations with respect to the approval thereof.

(d) For the purposes of carrying out this section, the Commissioner is authorized to expend $10,000,000 for each of the fiscal years ending prior to July 1, 1978.[1]

(20 U.S.C. 1862) Enacted August 21, 1974, P.L. 93-380, sec. 403, 88 Stat. 546, 547.

GIFTED AND TALENTED CHILDREN

SEC. 404. (a) The Commissioner shall designate an administrative unit within the Office of Education to administer the programs and projects authorized by this section and to coordinate all programs for gifted and talented children and youth administered by the Office.

(b) The Commissioner shall establish or designate a clearinghouse to obtain and disseminate to the public information pertaining to the education of gifted and talented children and youth. The Commissioner is authorized to contract with public or private agencies or organizations to establish and operate the clearinghouse.

(c)(1) The Commissioner shall make grants to State educational agencies and local educational agencies, in accordance with the provisions of this subsection, in order to assist them in the planning, development, operation, and improvement of programs and projects designed to meet the special educational needs of gifted and talented children at the preschool and elementary and secondary school levels.

(2)(A) Any State educational agency or local educational agency desiring to receive a grant under this subsection shall submit an application to the Commissioner at such time, in such manner, and containing such information as the Commissioner determines to be necessary to carry out his functions under this section. Such application shall—

(i) provide satisfactory assurance that funds paid to the applicant will be expended solely to plan, establish, and operate programs and projects which—

(I) are designed to identify and to meet the special educational and related needs of gifted and talented children, and

(II) are of sufficient size, scope, and quality as to hold reasonable promise of making substantial progress toward meeting those needs;

Set forth such policies and procedures as are necessary for acquiring and disseminating information derived from educational research, demonstration and pilot projects, new educational practices and techniques, and the evaluation of the effectiveness of the program or project in achieving its purpose; and

---

[1] Sec. 402(a)(4) of P.L. 93-380 provides that no appropriation may be made for this section in any fiscal year during which funds are available for the purposes of this section under the provisions of subsection 402(a) (The Special Projects Act).

(iii) provide satisfactory assurance that, to the extent consistent with the number of gifted and talented children in the area to be served by the applicant who are enrolled in nonpublic elementary and secondary schools, provision will be made for the participation of such children.

(B) The Commissioner shall not approve an application under this subsection from a local educational agency unless such application has been submitted to the State educational agency of the State in which the applicant is located and such State agency has had an opportunity to make recommendations with respect to approval thereof.

(3) Funds available under an application under this subsection may be used for the acquisition of instructional equipment to the extent such equipment is necessary to enhance the quality or the effectiveness of the program or project for which application is made.

(4) A State educational agency receiving assistance may carry out its functions under an approved application under this subsection directly or through local educational agencies.

(d) The Commissioner is authorized to make grants to State educational agencies to assist them in establishing and maintaining, directly or through grants to institutions of higher education, a program for training personnel engaged or preparing to engage in educating gifted and talented children or as supervisors of such personnnel.

(e) The Commissioner is authorized to make grants to institutions of higher education and other appropriate nonprofit institutions or agencies to provide training to leadership personnel for the education of gifted and talented children and youth. Such leadership personnel may include, but are not limited to, teacher trainers, school administrators, supervisors, researchers, and State consultants. Grants under this subsection may be used for internships, with local, State, or Federal agencies or other public or private agencies or institutions.

(f) Notwithstanding the seond sentence of section 405(b)(1) of the General Education Provisions Act, the National Institute of Education shall, in accordance with the terms and conditions of section 405 of such Act, carry out a program of research and related activities relating to the education of gifted and talented children. The Commissioner is authorized to transfer to the National Institute of Education such sums as may be necessary for the program required by this subsection. As used in the preceding sentence the term "research and related activities" means research, research training, surveys, or demonstrations in the field of education of gifted and talented children and youth, or the dissemination of information derived therefrom, or all of such activities, including (but without limitation) experimental and model schools.

(g) In addition to the other authority of the Commissioner under this section, the Commissioner is authorized to make contracts with public and private agencies and organizations for the establishment and operation of model projects for the identification and education of gifted and talented children, including such activities as career education, bilingual education, and programs of education for handicapped children and for educationally disadvantaged children. The total of the amounts expended for projects authorized under this subsection shall not exceed 15 per centum of the total of the amounts expended under this section for any fiscal year.

(h) For the purpose of carrying out the provisions of this section, the Commissioner is authorized to expend not to exceed $12,250,000 for each fiscal year ending prior to July 1, 1978.[1]

(20 U.S.C. 1863) Enacted August 21, 1974, P.L. 93–380, sec. 404, 88 Stat. 547, 549.

COMMUNITY SCHOOLS

Sec. 405. (a) This section may be cited as the "Community Schools Act".

(b) In recognition of the fact that the school, as the prime educational institution of the community, is most effective when the school involves the people of that community in a program designed to fulfill their education needs, and that community education promotes a more efficient use of public education facilities through an extension of school buildings and equipment, it is the purpose of this section to provide educational, recreational, cultural, and other related community services, in accordance with the needs, interests, and concerns of the community, through the establishment of the community education program as a center for such activities in cooperation with other community groups.

(c) For purposes of this section and subparagraph (C) of section 402(b)(3), a "community education program" is a program in which a public building, including but not limited to a public elementary or secondary school or a community or junior college, is used as a community center operated in conjunction with other groups in the community, community organizations, and local governmental agencies, to provide educational, recreational, cultural, and other related community services for the community that center serves in accordance with the needs, interests, and concerns of that community. Nothing in this section shall be construed to prohibit any applicant under this section from carrying out any activity with funds derived from other sources.

(d)(1) In order to carry out the purposes and provisions of this section, the Commissioner is authorized to make grants to State educational agencies and to local educational agencies to pay the Federal share of the cost of planning, establishing, expanding, and operating community education programs.

(2) Fifty percent of the funds made available pursuant to clause (1) of subsection (i) shall be available for grants to State educational agencies. The remainder of such funds shall be available for grants to local educational agencies.

(3) For the purpose of paragraph (1) of this subsection, the Federal share shall be—

(A) 80 per centum of a program to establish a new community education program,

(B) 65 per centum of a program to expand or improve a community education program for the first year in which such program is assisted under this section, and 55 per centum in any fiscal year thereafter, and

---

[1] Sec. 402(a)(4) of P.L. 93–380 provides that no appropriation may be made for this section in any fiscal year during which funds are available for the purposes of this section under the provisions of subsection 402(a) (The Special Projects Act).

(C) 40 per centum of a program to maintain or carry out a community education program.

(4) Any State or local educational agency desiring to receive a grant under this section for any fiscal year shall submit an application to the Commissioner at such time, in such manner, and in such form as the Commissioner shall prescribe by regulation. Each such application shall contain provisions—

(A) assuring that local community colleges, social, recreational, and health groups will be consulted with respect to programs to be offered and facilities to be used for the purpose of this section;

(B) assuring that the applicant will pay from non-Federal sources the remaining costs of carrying out the application; and

(C) containing a description of each community education program for which assistance is sought in sufficient detail to apply the appropriate Federal share specified in clause (3) of this subsection.

The Commissioner shall not approve an application submitted by a local educational agency unless the State educational agency of the State in which that local educational agency is located has been given an opportunity to review, and make comment on, such application.

(e) The Commissioner is authorized to make grants to institutions of higher education to develop and establish, or to expand, programs which will train persons to plan and operate community education programs.

(f)(1) The Commissioner shall establish or designate a clearinghouse to gather and disseminate information received from community education programs, including but not limited to information regarding new programs, methods to encourage community participation, and ways of coordinating community education programs with other community services. The Commissioner is authorized to contract with public or private agencies or organizations to establish and operate the clearinghouse.

(2) The Commissioner shall make available to each community education program such technical assistance and information as the program may require, and such technical assistance shall be coordinated with the national clearinghouse.

(g)(1) There is established, subject to part D of the General Education Provisions Act, in the Office of the Commissioner, a Community Education Advisory Council (referred to in this section as the "Advisory Council") to be composed of eleven members. The members of the Advisory Council shall be appointed by the Secretary.

(2) A substantial number of the members of the Advisory Council shall be persons experienced in the operation of community education programs and the training of such persons. The Council shall include representatives from various disciplines involved in providing services in community school programs.

(f)(1)[1] The Commissioner shall establish or designate a clearinghouse within three months after enactment of this section.

---

[1] Apparent error in P.L. 93-380; (f)(1) should be designated as (g)(3).

(4) The Commissioner shall make available to the Advisory Council such staff, information, and other assistance as it may require to carry out its activities.

(5) The Advisory Council shall advise the Commissioner on policy matters relating to the interests of community schools.

(6) In the fiscal year ending June 30, 1975, the Advisory Council shall be responsible for advising the Commissioner regarding the establishment of policy guidelines and regulations for the operation and administration of this section. In addition, the Council shall create a system for evaluation of the programs. The Council shall present to Congress a complete and thorough evaluation of the programs and operation of this section for each fiscal year ending after June 30, 1975.

(h) In approving applications under this section the Commissioner shall insure that there is an equitable geographical distribution of community education programs throughout the United States in both urban and rural areas.

(i) The Commissioner is authorized to expend (1) for the purpose of subsection (d), $15,000,000 for each fiscal year ending prior to July 1, 1978; and (2) for the purposes of subsection (e), $2,000,000 for each fiscal year ending prior to July 1, 1978.[1]

(20 U.S.C. 1864) Enacted August 21, 1974, P.L. 93-380, sec. 405, 88 Stat. 549, 551.

CAREER EDUCATION

SEC. 406. (a) It is the sense of Congress that—

(1) every child should, by the time he has completed secondary school, be prepared for gainful or maximum employment and for full participation in our society according to his or her ability:

(2) it is the obligation of each local educational agency to provide that preparation for all children (including handicapped children and all other children who are educationally disadvantaged) within the school district of such agency; and

(3) each State and local educational agency should carry out a program of career education which provides every child the widest variety of career education options which are designed to prepare each child for maximum employment and participation in our society according to his or her ability.

(b) It is the purpose of this section to assist in achieving the policies set forth in subsection (a) by—

(1) developing information on the needs for career education for all children;

(2) promoting a national dialogue on career education designed to encourage each State and local educational agency to determine and adopt the approach to career education best suited to the needs of the children served by them;

(3) assessing the status of career education programs and practices, including a reassessment of the stereotyping of career opportunities by race or by sex;

(4) providing for the demonstration of the best of the current career education programs and practices by the development and

---

[1] Sec. 402(a)(4) of P.L. 93-380 provides that no appropriation may be made for this section in any fiscal year during which funds are available for the purposes of this section under the provisions of subsection 402(a) (The Special Projects Act).

testing of exemplary programs and practices using various theories, concepts, and approaches with respect to career education;

(5) providing for the training and retraining of persons for conducting career education programs; and

(6) developing State and local plans for implementing career education programs designed to insure that every child has the opportunity to gain the knowledge and skills necessary for gainful or maximum employment and for full participation in our society according to his or her ability.

(c)(1) In order to carry out the policies, purposes, and provisions of this section, there is established in the Office of Education an Office of Career Education (hereafter in this section referred to as the "Office"). The Office shall be headed by a Director.

(2) The Director of the Office shall report directly to the Commissioner.

(d) For the purposes of this section, the term "career education" means an education process designed—

(1) to increase the relationship between schools and society as a whole;

(2) to provide opportunities for counseling, guidance and career development for all children;

(3) to relate the subject matter of the curricula of schools to the needs of persons to function in society;

(4) to extend the concept of the education process beyond the school into the area of employment and the community;

(5) to foster flexibility in attitudes, skills, and knowledge in order to enable persons to cope with accelerating change and obsolescence;

(6) to make education more relevant to employment and functioning in society; and

(7) to eliminate any distinction between education for vocational purposes and general or academic education.

(e) The Commissioner shall conduct a survey and assessment of the current status of career education programs, projects, curriculums, and materials in the United States and submit to the Congress, not later than November 1, 1975, a report on such survey and assessment. Such report shall include recommendations of the Advisory Council created under subsection (g) for new legislation designed to accomplish the policies and purposes set forth in subsections (a) and (b). In exercising his authority under clauses (ii)(III) and (ii)(V) of section 434(b)(1)(A) of the General Education Provisions Act, for any fiscal year, the Commissioner shall require State educational agencies and local educational agencies to report on their efforts to prepare students for gainful or maximum employment.

(f)(1) During the period beginning with the enactment of this section and ending June 30, 1978, the Commissioner is authorized to make grants to State and local educational agencies, institutions of higher education, and other nonprofit agencies and organizations to support projects to demonstrate the most effective methods and techniques in career education and to develop exemplary career education models (including models in which handicapped children receive appropriate career education either by participation in regular or modified programs with nonhandicapped children or where necessary in specially designed programs for handicapped children whose handicaps are of such severity that they cannot benefit from regular or modified programs). Grants made under this subsection shall be consistent with the policies set forth in subsection (a) of this subsection.

(2) During the period beginning one year after the enactment of this section and ending June 30, 1977, the Commissioner is authorized to make grants to State educational agencies to enable them to develop State plans for the development and implementation of career education programs in the local educational agencies of the States. Such plans shall be designed to carry out the policies and purposes set forth in subsections (a) and (b).

(g) (1) Subject to part D of the General Education Provisions Act and within ninety days after the enactment of this section, there is established a National Advisory Council for Career Education which shall be composed of—

(A) the Assistant Secretary of Health, Education, and Welfare for Education, the Commissioner of Education, the Director of the Office of Career Education, the Director of the National Institute of Education, the Administrator of the National Center for Education Statistics, the Director of the National Science Foundation, the Chairman of the National Foundation for the Arts, the Chairman of the National Foundation for the Humanities, the Chairman of the National Advisory Council for Vocational Education, all of whom shall serve in a nonvoting ex officio capacity; and

(B) not less than twelve public members broadly representative of the fields of education, the arts, the humanities, the sciences, community services, business and industry, and the general public, a majority of whom shall be engaged in education or education-related professions.

(2) The public members shall be appointed by the Secretary. The Secretary shall select the Chairman from among the public members. The members shall serve for terms of three years with not more than four seats rotating in any one year. The Commissioner shall provide such staff and funds for the Council as deemed necessary and such staff and funds shall be in addition to those provided elsewhere in this title.

(3) The duties of the Council shall be to advise the Commissioner on the implementation of this section and carry out such advisory functions as it deems appropriate, including reviewing the operation of this section and all other programs of the Division of Education pertaining to the development and implementation of career education, evaluating their effectiveness in meeting the needs of career education throughout the United States, and in determining the need for further legislative remedy in order that all citizens may benefit from the purposes of career education as prescribed in this section.

(4) The Council with the assistance of the Commissioner shall conduct a survey and assessment of the current status of career education programs, projects, curricula, and materials in the United States and submit to Congress, not later than November 1, 1975, a report on such survey and assessment. Such report shall include recommendations of

the Council for new legislation designed to accomplish the policies and purposes set forth in subsections (a) and (b).

(h) For the purpose of carrying out the provisions of this section, the Commissioner is authorized to expend not to exceed $15,000,000 for each fiscal year ending prior to July 1, 1978.[1]

(20 U.S.C. 1865) Enacted August 21, 1974, P.L. 93-380, sec. 406, 88 Stat. 551, 553.

(Sec. 407 is an amendment to section 811 of the Elementary and Secondary Education Act relating to consumers' education and is contained therein.)

WOMEN'S EDUCATIONAL EQUITY

SEC. 408. (a) This section may be cited as the "Women's Educational Equity Act of 1974."

(b)(1) The Congress hereby finds and declares that educational programs in the United States (including its possessions), as presently conducted, are frequently inequitable as such programs relate to women and frequently limit the full participation of all individuals in American society.

(2) It is the purpose of this section to provide educational equity for women in the United States.

(c) As used in this section, the term "Council" means the Advisory Council on Women's Educational Programs.

(d)(1) The Commissioner is authorized to make grants to, and enter into contracts with, public agencies and private nonprofit organizations and with individuals for activities designed to carry out the purposes of this section at all levels of education, including preschool, elementary and secondary education, higher education, and adult education. These activities shall include—

(A) the development, evaluation, and dissemination by the applicant of curricula, textbooks, and other educational materials related to educational equity;

(B) preservice and inservice training for educational personnel including guidance and counseling with special emphasis on programs and activities designed to provide educational equity;

(C) research, development, and educational activities designed to advance educational equity;

(D) guidance and counseling activities, including the development of nondiscriminatory tests, designed to assure educational equity;

(E) educational activities to increase opportunities for adult women, including continuing educational activities and programs for underemployed and unemployed women;

(F) the expansion and improvement of educational programs and activities for women in vocational education, career education, physical education, and educational administration.

(2) A grant may be made and a contract may be entered into under this section only upon application to the Commissioner, at such time, in such form, and containing or accompanied by such information as the Commissioner may prescribe. Each such application shall—

---

[1] Sec. 402(a)(4) of P.L. 93-380 provides that no appropriation may be made for this section in any fiscal year during which funds are available for the purposes of this section under the provisions of subsection 402(a) (The Special Projects Act).

(A) provide that the program or activity for which assistance is sought will be administered by or under the supervision of the applicant;

(B) describe a program for carrying out one of the purposes set forth in subsection (a) which holds promise of making a substantial contribution toward attaining such purposes; and

(C) set forth policies and procedures which insure adequate evaluation of the activities intended to be carried out under the application.

(3) The Commissioner shall approve applicants and amendments thereto which meet the requirements of paragraph (2).

(4) Nothing in this section shall be construed as prohibiting men from participating in any programs or activities assisted under this section.

(e) In addition to the authority of the Commissioner under subsection (d), the Commissioner shall carry out a program of small grants, not to exceed $15,000, each, in order to support innovative approaches to achieving the purposes of this section; and for that purpose the Commissioner is authorized to make grants to public and private nonprofit agencies and to individuals.

(f)(1) There is established in the Office of Education an Advisory Council on Women's Educational Programs. The Council shall be composed of—

(A) seventeen individuals, some of whom shall be students, who shall be appointed by the President, by and with the advice and consent of the Senate, from among individuals broadly representative of the general public who, by virtue of their knowledge or experience, are versed in the role and status of women in American society;

(B) the Chairman of the Civil Rights Commission;

(C) the Director of the Women's Bureau of the Department of Labor; and

(D) the Director of the Women's Action Program of the Department of Health, Education, and Welfare.

The Council shall elect its own Chairman.

(2) The term of office of each member of the Council appointed under clause (A) of paragraph (1) shall be three years, except that—

(A) the members first appointed under such clause shall serve as designated by the President, six for a term of one year, five for a term of two years, and six for a term of three years; and

(B) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

(3) The Council shall—

(A) advise the Commissioner with respect to general policy matters relating to the administration of this section;

(B) advise and make recommendations to the Assistant Secretary concerning the improvement of educational equity for women;

(C) make recommendations to the Commissioner with respect to the allocation of any funds pursuant to this section, including criteria developed to insure an appropriate geographical distribution of approved programs and projects throughout the Nation; and

(D) develop criteria for the establishment of program priorities.

(4) From the sums available for the purposes of this section, the Commissioner is authorized and directed to conduct a national, comprehensive review of sex discrimination in education, to be submitted to the Council not later than a year after the date of enactment of this section. The Council shall review the report of the Commissioner and shall make such recommendations, including recommendations for additional legislation, as it deems advisable.

(5) The provisions of part D of the General Education Provisions Act shall apply with respect to the Council established under this subsection.

(f) The Commissioner is directed, at the end of each fiscal year, to submit to the President and the Congress and to the Council a report setting forth the programs and activities assisted under this section, and to provide for the distribution of this report to all interested groups and individuals, including the Congress, from funds authorized under this section. After receiving the report from the Commissioner, the Council shall evaluate the programs and projects assisted under this section and include such evaluation in its annual report.

(h) For the purpose of carrying out this section, the Commissioner is authorized to expend not to exceed $30,000,000 for each fiscal year prior to July 1, 1978.[1]

(20 U.S.C. 1866) Enacted August 21, 1974, P.L. 93-380, sec. 408, 88 Stat. 554, 556.

ELEMENTARY AND SECONDARY SCHOOL EDUCATION IN THE ARTS

SEC. 409. The Commissioner shall, during the period beginning after June 30, 1974 and ending on June 30, 1978, through arrangements made with the John F. Kennedy Center for the Performing Arts, carry out a program of grants and contacts to encourage and assist State and local educational agencies to establish and conduct programs in which the arts are an integral part of elementary and secondary school programs. Not less than $750,000 shall be available for the purposes of this section during any fiscal year during the period for which provision is made in the preceding sentence.[1]

(20 U.S.C. 1867) Enacted August 21, 1974, P.L. 93-380, sec. 409, 88 Stat. 556

ENVIRONMENTAL EDUCATION ACT
(91-516)

AN ACT To authorize the United States Commissioner of Education to establish education programs to encourage understanding of policies and support of activities, designed to enhance environmental quality and maintain ecological balance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Environmental Education Act".

---

[1] Sec. 402(a)(4) of P.L. 93-380 provides that no appropriation may be made for this section in any fiscal year during which funds are available for the purposes of this section under the provisions of subsection 402(a) (The Special Projects Act).

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress of the United States finds that the deterioration of the quality of the Nation's environment and of its ecological balance poses a serious threat to the strength and vitality of the people of the Nation and is in part due to poor understanding of the Nation's environment and of the need for ecological balance; that presently there do not exist adequate resources for educating and informing citizens in these areas, and that concerted efforts in educating citizens about environmental quality and ecological balance are therefore necessary.

(b) It is the purpose of this Act to encourage and support the development of new and improved curricula to encourage understanding of policies, and support of activities designed to enhance environmental quality and maintain ecological balance while giving due consideration to the economic considerations related thereto; to demonstrate the use of such curricula in model educational programs and to evaluate the effectiveness thereof, to provide support for the initiation and maintenance of programs in environmental education at the elementary and secondary levels; to disseminate curricular materials and other information for use in educational programs throughout the Nation; to provide training programs for teachers, other educational personnel, public service personnel, and community, labor, and industrial and business leaders and employees, and government employees at State, Federal, and local levels; to provide for the planning of outdoor ecological study centers; to provide for community education programs on preserving and enhancing environmental quality and maintaining ecological balance; and to provide for the preparation and distribution of materials by mass media in dealing with the environment and ecology.

(20 U.S.C. 1531). Enacted Oct. 30, 1970, P.L. 91-516, sec. 2, 84 Stat. 1312, amended May 10, 1974, P.L. 93-278, sec. 4, 88 Stat. 121.

ENVIRONMENTAL EDUCATION

SEC. 3. (a)(1) There is established, within the Office of Education, an office of environmental education (referred to in this section as the "office") which, under the supervision of the Commissioner, through regulations promulgated by the Secretary, shall be responsible for (A) the administration of the program authorized by subsection (b) and (B) the coordination of activities of the Office of Education which are related to environmental education. The office shall be headed by a Director who shall be compensated at a rate not to exceed that prescribed for grade GS-17 in section 5332 of title 5, United States Code.

(2) For the purposes of this Act, the term "environmental education" means the educational process dealing with man's relationship with his natural and manmade surroundings, and includes the relation of population, pollution, resource allocation and depletion, conservation, transportation, technology, economic impact, and urban and rural planning to the total human environment.

(b)(1) The Commissioner shall carry out a program of making grants to, and contracts with, institutions of higher education, State and local educational agencies, regional educational research organizations, and other public and private agencies, organizations, and institutions (including libraries and museums) to support research, demonstration, and pilot projects designed to educate the public on the problems of environmental quality and ecological balance, except that no grant may be made other than to a nonprofit agency, organization or institution.

(2) Funds appropriated for grants and contracts under this section shall be available for such activities as—

(A) the development of curricula (including interdisciplinary curricula) in the preservation and enhancement of environmental quality and ecological balance;

(B) dissemination of information relating to such curricula and to environmental education, generally;

(C) in the case of grants to State and local educational agencies, for the support of environmental education programs at the elementary and secondary education levels;

(D) pre service and inservice training programs and projects (including fellowship programs, institutes, workshops, symposiums, and seminars) for educational personnel to prepare them to teach in subject matter areas associated with environmental quality and ecology, and for public service personnel, government employees, and business, labor, and industrial leaders and employees;

(E) planning of outdoor ecological study centers;

(F) community education programs on environmental quality, including special programs for adults; and

(G) preparation and distribution of materials suitable for use by the mass media in dealing with the environment and ecology.

In addition to the activities specified in the first sentence of this paragraph, such funds may be used for projects designed to demonstrate, test, and evaluate the effectiveness of any such activities, whether or not assisted under this section.

(3)(A) Financial assistance under this subsection may be made available only upon application to the Commissioner. Applications under this subsection shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe by regulation and shall be approved only if it—

(i) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

(ii) describes a program for carrying out one or more of the purposes set forth in the first sentence of paragraph (2) which holds promise of making a substantial contribution toward attaining the purposes of this section;

(iii) sets forth such policies and procedures as will insure adequate evaluation of the activities intended to be carried out under the application;

(iv) sets forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in section 3, and in no case supplant such funds.

(v) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(vi) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require and for keeping such records, and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(B) Applications from local educational agencies for financial assistance under this Act may be approved by the Commissioner only if the State educational agency has been notified of the application and been given the opportunity to offer recommendations.

(C) Amendments of applications shall, except as the Secretary may otherwise provide by or pursuant to regulation, be subject to approval in the same manner as original applications.

(4) Federal assistance to any program or project under this section, other than those involving curriculum development, dissemination of curricular materials, and evaluation, shall not exceed 80 per centum of the cost of such program for the first fiscal year of its operation, including costs of administration, unless the Commissioner determines, pursuant to regulations adopted and promulgated by the Secretary establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this section. The Federal share for the second year shall not exceed 60 percentum, and for the third year 40 per centum. Non-Federal contributions may be in cash or kind, fairly evaluated, including but not limited to plant, equipment, and services.

(c)(1) There is hereby established an Advisory Council on Environmental Education consisting of twenty-one members appointed by the Secretary. The Secretary shall appoint one member as Chairman. The Council shall consist of persons appointed from the public and private sector with due regard to their fitness, knowledge, and experience in matters of, but not limited to, academic, scientific, medical, economic, legal, resource conservation and production, urban and regional planning, and information media activities as they relate to our society and affect our environment, and shall give due consideration to geographical representation in the appointment of such members: *Provided, however*, That the Council shall consist of not less than three ecologists and three students. Subject to section 448(b) of the General Education Provisions Act, the Advisory Council shall continue to exist until July 1, 1977.

(2) The Council shall—

(A) advise the Commissioner and the office concerning the administration of, preparation of general regulations for, and operation of programs assisted under this section;

(B) make recommendations to the office with respect to the allocation of funds appropriated pursuant to subsection (d) among the purposes set forth in paragraph (2) of subsection

(b) and the criteria to be used in approving applications, which criteria shall insure an appropriate geographical distribution of approved programs and projects throughout the Nation;

(C) develop criteria for the review of applications and their disposition; and

(D) evaluate programs and projects assisted under this section and disseminate the results thereof.

(20 U.S.C. 1532) Enacted Oct. 30, 1970, P.L. 91–516, sec. 3, 84 Stat. 1312, amended May 10, 1974, P.L. 93–278, sec. 2, 88 Stat. 121.

TECHNICAL ASSISTANCE

SEC. 4. The Secretary of Health, Education, and Welfare, in cooperation with the heads of other agencies with relevant jurisdiction, shall, insofar as practicable upon request, render technical assistance to local educational agencies, public and private nonprofit organizations, institutions of higher education, agencies of local, State and Federal governments and other agencies deemed by the Secretary to play a role in preserving and enhancing environmntal quality and maintaining ecological balance. The technical assistance shall be designed to enable the recipient agency to carry on education programs which are related to environmental quality and ecological balance.

(20 U.S.C. 1533) Enacted Oct. 30, 1970, P.L. 91–516, sec. 4, 84 Stat. 1315.

SMALL GRANTS

SEC. 5. (a) In addition to the grants authorized under section 3, the Commissioner, from the sums appropriated, shall have the authority to make grants, in sums not to exceed $10,000 annually, to nonprofit organizations such as citizens groups, volunteer organizations working in the environmentl field, and other public and private nonprofit agencies, institutions, or organizations for conducting courses, workshops, seminars, symposiums, institutes, and conferences, especially for adults and community groups (other than the group funded).

(b) Priority shall be given to those proposals demonstrating innovative approaches to environmental education.

(c) For the purposes of this section, the Commissioner shall require evidence that the interested organization or group shall have been in existence one year prior to the submission of a proposal for Federal funds and that it shall submit an annual report on Federal funds expended.

(d) Proposals submitted by organizations and groups under this section shall be limited to the essential information required to evaluate them, unless the organization or group shall volunteer additional information.

(20 U.S.C. 1534) Enacted Oct. 30, 1970, P.L. 91–516, sec. 5, 85 Stat. 1315.

ADMINISTRATION

SEC. 6. In administering the provisions of this Act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public [illegible] private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon. The Commissioner shall publish annually a list and description of projects supported under this Act and shall distribute such list and description to interested educational institutions, citizens' groups, conservation organizations, and other organizations and individuals involved in enhancing environmental quality and maintaining ecological balance.

(20 U.S.C. 1535) Enacted Oct. 30, 1970, P.L. 91-516, sec. 6, 84 Stat. 1315.

AUTHORIZATION

SEC. 7. There is authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1971, $15,000,000 for the fiscal year ending June 30, 1972, $25,000,000 for the fiscal year ending June 30, 1973, $5,000,000 for the fiscal year ending June 30, 1975, $10,000,000 for the fiscal year ending June 30 1976, and $15,000,000 for the fiscal year ending June 30, 1977.

(20 U.S.C. 1536) Enacted Oct. 30, 1970, P.L. 91-516, sec. 7, 84 Stat. 1315; **amended May 10, 1974, P.L. 93-278, sec. 3, 88 Stat. 121.**

ALCOHOL AND DRUG ABUSE EDUCATION ACT

AN ACT To authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities concerning the use of drugs and other related educational purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Alcohol and Drug Abuse Education Act."

STATEMENT OF PURPOSE

SEC. 2. (a) The Congress hereby finds and declares that drug and alcohol abuse diminishes the strength and vitality of the people of our Nation; that an increasing number of substances, both legal and illegal, are being abused by increasing numbers of individuals; that abuse of any substance is complex human behavior which is influenced by many forces, including school, family, church, community, media, and peer groups; and that prevention and early intervention in such behavior require cooperation and coordination among all of these elements in strategies designed to respond to carefully defined problems.

(b) It is the purpose of this Act to encourage the development of new and improved curricula on the problems of drug abuse; to demonstrate the use of such curricula in model educational programs and to evaluate the effectiveness thereof; to disseminate curricular materials and significant information for use in educational programs throughout the Nation; to provide training programs for teachers, counselors, law enforcement officials, and other public service and community leaders; and to offer community education programs for parents and others, on drug abuse problems.

(c) It is further the purpose of this Act to provide leadership to schools and other institutions in the community by supporting projects to identify, evaluate, demonstrate, and disseminate effective strategies for prevention and early intervention and to provide training and technical assistance to schools and other segments of the community in adapting such strategies to identified local needs.

(20 U.S.C. 1001) Enacted Dec. 3, 1970, P.L. 91-527, sec. 2, Stat. 1385; amended amended Sept. 21, 1974, P.L. 93-422, sec. 2, 88 Stat. 1154, 1155.

ALCOHOL AND DRUG ABUSE EDUCATION PROJECTS

SEC. 3. (a) The Commissioner of Education shall carry out a program of making grants to, and contracts with institutions of higher education, State and local educational agencies, and public and private education or community agencies, institutions, and organizations to support and evaluate demonstration projects, to encourage the establishment of such projects throughout the Nation, to train educational and community personnel, and to provide technical assistance in program development. In carrying out such program, the Commissioner of Education shall give priority to school based programs and projects.

(b) Funds appropriated for grants and contracts under this Act shall be available for activities, including bilingual activities, such as—

(1) projects for the development, testing evaluation, and dissemination of exemplary materials for use in elementary, secondary, adult, and community education programs, and for training in the selection and use of such materials;

(2) comprehensive demonstration programs which focus on the causes of drug and alcohol abuse rather than on the symptoms; which include both schools and the communities within which the schools are located; which emphasizes the affective as well as the cognitive approach; which reflect the specialized needs of communities; and which include, in planning and development, school personnel, the target population, community representation, and parents;

(3) creative primary prevention and early intervention programs in schools, utilizing an interdisciplinary "school team" approach, developing in educational personnel and student skills in planning and conducting comprehensive prevention programs which include such activities as training drug and alcohol education specialists and group leaders, peer group and individual counseling, and student involvement in intellectual, cultural, and social alternatives to drug and alcohol abuse;

(4) preservice and inservice training programs on drug and alcohol abuse prevention for teachers, counselors, and other educational personnel, law enforcement officials, and other public service and community leaders and personnel;

(5) community education programs on drug and alcohol abuse, especially for parents and others in the community;

(6) programs or projects to recruit, train, organize, and employ professionals and other persons, including former drug and alcohol abusers and former drug- and alcohol-dependent persons, to organize and participate in programs of public education in drug and alcohol abuse; and

(7) projects for the dissemination of valid and effective school and community drug and alcohol abuse educational programs.

(c) In addition to the purposes described in subsection (b) of this section, funds in an amount not to exceed 10 per centum of the sums appropriated to carry out this Act may be made available for the payment of reasonable and necessary expenses of State educational agencies for assisting local educational agencies in the planning, development, and implementation of drug and alcohol abuse education programs, including such projects as—

(1) inservice training of education personnel,

(2) technical assistance to local school districts,

(3) creative leadership in programing for indigenous minorities, and

(4) training of peer counselors.

(d)(1) Financial assistance under this section may be made only upon application at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary, and only if such application—

(A) provides that activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(B) provides for carrying out one or more projects or programs eligible for assistance under subsections (b) and (c) of this section and provides for such methods of administration as are necessary for the proper and efficient operation of such projects or programs;

(C) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in subsections (b) and (c) of this section, and in no case supplant such funds; and

(D) provides for making such reports, in such form and containing such information, as the Commissioner may reasonably require, and for keeping such records and affording such access thereto as the Commissioner may find necessary to assure to correctness and verification of such reports.

(2) An application from a local education agency for financial assistance under this section may be approved by the Commissioner only after the applicant has submitted the application to the State educational agency. The State educational agency shall, not more than thirty day after the date of receipt of the application, submit to the Secretary in writing its comments on the application. A copy of such comments shall be submitted at the same time to the applicant.

(3) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulation, be subject to the requirements set forth in subsections (d)(1) and (d)(2).

(e) (1) The Commissioner may use funds in an amount not exceeding 1 per centum of the funds appropriated to carry out this section for a fiscal year for independent analysis and evaluation of the effectiveness of the drug and alcohol abuse education programs assisted under this section.

(2) The Commissioner shall, not later than March 31 of each calendar year, submit an evaluation report to the House and Senate Committees on Appropriations, the House Committee on Education and Labor, and the Senate Committee on Labor and Public Welfare. Such report shall—

(A) contain the agency's statement of specific and detailed objectives for the program or programs assisted under the provisions of this Act, and relate these objectives to those in the Act,

(B) include statements of the agency's conclusions as to effectiveness of the program or programs in meeting the stated objectives, measured through the end of the preceding fiscal year,

(C) make recommendations with respect to any changes or additional legislative action deemed necessary or desirable in carrying out the program or programs,

(D) contain a listing identifying the principal analyses and studies supporting the major conclusions and recommendations, and

(E) contain the agency's annual evaluation plan for the program or programs through the ensuing fiscal year for which the budget was transmitted to Congress by the President, in accordance with section 201(a) of the Budget and Accounting Act of 1921 (31 U.S.C. 11).

(f) There are authorized to be appropriated to carry out the purposes of this section $26,000,000 for the fiscal year ending June 30, 1975, $30,000,000 for the fiscal year ending June 30, 1976, and $34,000,000 for the fiscal year ending June 30, 1977. Not less than 60 per centum of the amount appropriated for a fiscal year under this section shall be used for drug and alcohol abuse education programs and projects in elementary and secondary schools.

(20 U.S.C. 1002) Enacted Dec. 3, 1970, P.L. 91–527, sec. 3, Stat. 1386; amended Sept. 21, 1974, P.L. 93–422, 88 Stat. 1155.

COMMUNITY EDUCATION PROJECTS

SEC. 4. (a) Each recipient of Federal assistance under this Act, pursuant to grants, subgrants, contracts, subcontracts, loans, or other arrangements, entered into other than by formal advertising ,and which are otherwise authorized by this Act, shall keep such records as the Commissioner shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (a) of this section, have access for the purpose of audit and examination to any books, documents, papers and records of such projects which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the grants, subgrants, contracts, subcontracts, loans, or other arrangements referred to in subsection (a).

(20 U.S.C. 1003) Enacted Dec. 3, 1970, P.L. 91-527, sec. 4, 84 Stat. 1387; amended Sept. 21, 1974, P.L. 93-422, 89 Stat. 1157.

TECHNICAL ASSISTANCE

SEC. 5. The Secretary and the Attorney General (on matters of law enforcement) shall, when requested, render technical assistance to local educational agencies, public and private nonprofit organizations, and institutions of higher education in the development and implementation of programs of drug and alcohol abuse education. Such technical assistance may, among other activities, include making available to such agencies or institutions information regarding effective methods of coping with problems of drug and alcohol abuse, and making available to such agencies or institutions personnel of the Department of Health, Education, and Welfare and the Department of Justice, or other persons qualified to advise and assist in coping with such problems or carrying out a drug and alcohol abuse education program.

(20 U.S.C. 1004) Enacted Dec. 3, 1970, P.L. 91-527, sec. 5, 84 Stat. 1388; amended Sept. 21, 1974, P.L. 93-422, 88 Stat. 1157.

PAYMENTS

SEC. 6. Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 1005) Enacted Dec. 3, 1970, P.L. 91-527, sec. 6, 84 Stat. 1388.

ADMINISTRATION

SEC. 7. In administering the provisions of this Act, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

(20 U.S.C. 1006) Enacted Dec. 3, 1970, P.L. 91-527, sec. 7, 84 Stat. 1388.

DEFINITIONS

SEC. 8. As used in this Act—

(a) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(b) The term "Commissioner" means the Commissioner of Education.

(c) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(20 U.S.C. 1007) Enacted Dec. 3, 1970, P.L. 91-527, sec. 7, 84 Stat. 1388; amended Sept. 21, 1974, P.L. 93-422, 88 Stat. 1157.

TITLE VII—NATIONAL READING IMPROVEMENT PROGRAM[1]

STATEMENT OF PURPOSE

SEC. 701. It is the purpose of this title—

(1) to provide financial assistance to encourage State and local educational agencies to undertake projects to strengthen reading instruction programs in elementary grades;

(2) to provide financial assistance for the development and enchancement of necessary skills of instructional and other educational staff for reading programs;

(3) to develop a means by which measurable objectives for reading programs can be established and progress toward such objectives assessed;

(4) to develop the capacity of preelementary school children for reading, and to establish and improve preelementary school programs in language arts and reading; and

(5) to provide financial assistance to promote literacy among youth and adults.

(20 U.S.C. 1901) Enacted August 21, 1974, P.L. 93-380, sec. 701, 88 Stat. 588.

PART A—READING IMPROVEMENT PROJECTS

PROJECTS AUTHORIZED

SEC. 705. (a)(1) The Commissioner is authorized to enter into agreements with other State educational agencies or local educational agencies, or both, for the carrying out by such agencies, in schools having large numbers or a high percentage of children with reading deficiencies, of projects involving the use of innovative methods, systems, materials, or programs which show promise of overcoming such reading deficiencies.

(2) The Commissioner is further authorized to enter into agreements with State educational agencies, local educational agencies, or with nonprofit educational or child care institutions for the carrying out by such agencies and institutions, in areas where such schools are located, of such projects for preelementary school children. Such projects are to be instituted in kindergarten, nursery schools, or other preschool institutions.

---

[1] Title VII of P.L. 93-380.

(b) No agreement may be entered into under this part, unless upon an application made to the Commissioner at such time, in such manner, and including or accompanied by such information as he may reasonably require. Each such application shall set forth a reading program which provides for—

(1) diagnostic testing designed to identify preelementary and elementary school children with reading deficiencies, including the identification of conditions which, without appropriate other treatment, can be expected to impede or prevent children from learning to read;

(2) planning for and establishing comprehensive reading programs;

(3) reading instruction for elementary school pupils whose reading achievement is less than that which would normally be expected for pupils of comparable ages and in comparable grades of school;

(4) preservice training programs for teaching personnel including teacher-aides and other ancillary educational personnel, and in-service training and development programs, where feasible, designed to enable such personnel to improve their ability to teach students to read;

(5) participation of the school faculty, school board members, administration, parents, and students in reading-related activities which stimulate an interest in reading and are conducive to the improvement of reading skills;

(6) parent participation in development and implementation of the program for which assistance is sought;

(7) local educational agency school board participation in the development of programs;

(8) periodic testing in programs for elementary school children on a sufficiently frequent basis to measure accurately reading achievement, and for programs for preelementary school children a test of reading proficiency at the conclusion, minimally, of the first-grade program into which the nursery and kindergarten programs are integrated;

(9) publication of test results on reading achievement by grade level, and where appropriate, by school, without identification of achievement of individual children;

(10) availability of test results on reading achievement on an individual basis to parents or guardians of any child being so tested;

(11) participation on an equitable basis by children enrolled in nonprofit private elementary schools in the area to be served (after consultation with the appropriate private school officials) to an extent consistent with the number of such children whose educational needs are of the kind the program is intended to meet;

(12) the use of bilingual education methods and techniques to the extent consistent with the number of elementary school-age children in the area served by a reading program who are of limited English-speaking ability;

(13) appropriate involvement of leaders of the cultural and educational resources of the area to be served, including insti-

tutions of higher education, nonprofit private schools, public and private nonprofit agencies such as libraries, museums, educational radio and television, and other cultural and education resources of the community; and

(14) assessment, evaluation, and collection of information on individual children by teachers during each year of the preelementary program, to be made available for teachers in the subsequent year, in order that continuity for the individual child not be lost.

(c) Each such applicant, in addition to meeting the requirements of subsection (b), shall provide assurances that—

(1) appropriate measures have been taken by the agency to analyze the reasons why elementary school children are not reading at the appropriate grade level;

(2) the agency will develop a plan setting forth specific objectives which shall include the goals of having the children in project schools reading at the appropriate grade level at the end of grade three; and

(3) whenever appropriate, sufficient measures will be taken to coordinate each preelementary reading program with the reading program of the educational agencies or institutions which such preelementary school children will be next in attendance.

(d) No grant may be made under this part unless the application for such grant provides assurances that the provisions of this subsection are met. Each State educational agency shall—

(1) establish an advisory council on reading appointed by such agency which shall be broadly representative of the education resources of the State and of the general public, including persons representative of—

(A) public and private nonprofit elementary and secondary schools,

(B) institutions of higher education,

(C) parents of elementary and secondary school children, and

(D) areas of professional competence relating to instruction in reading, and

(2) authorize the advisory council established under clause (1) to receive and designate priorities among applications for grants under this section in that State,

if—

(i) that State educational agency desires to receive a grant under this part, or

(ii) any local educational agency of that State desires to receive a grant under this part, and notifies the State educational agency concerned, or

(iii) in the case of a preelementary school program any nonprofit educational agency or child care institution in that State desires to receive a grant under this part, and notifies the State educational agency concerned.

(e) No agreement may be entered into under this part unless the application submitted to the Commissioner—

(1) has first been approved by the State educational agency, and

(2) is accompanied by assurances that such agency will supervise compliance by the local educational agency in that State with the requirements set forth in subsection (b) of this section.

(f) The Commissioner may approve any application submitted under this part which meets the requirements of subsections (b), (c), (d), and (e). In approving such applications, the Commissioner may not use any panel (other than employees of the Office of Education) for the purpose of such approval.

(g) In approving applications under this part the Commissioner shall, to the maximum extent feasible, assure an equitable distribution of funds throughout the United States and among urban and rural areas. Not more than 12½ percent of the funds expended under this part in any fiscal year may be expended in any State in that year.

(20 U.S.C. 1921) Enacted August 21, 1974, P.L. 93-380, sec. 705, 88 Stat. 589, 591.

PART B—STATE READING IMPROVEMENT PROGRAMS

STATEMENT OF PURPOSE

SEC. 711. It is the purpose of this part to provide financial assistance to the States to enable them—

(1) to provide financial assistance for projects designed to facilitate reaching the objectives of this title;

(2) to develop comprehensive programs to improve reading proficiency and instruction in reading in the elementary schools of the State;

(3) to provide State leadership in the planning, improving, execution, and evaluation of reading programs in elementary schools; and

(4) to arrange for and assist in the training of special reading personnel and specialists needed in programs assisted under this title.

(20 U.S.C. 1941) Enacted August 21, 1974, P.L. 93-380, sec. 711, 88 Stat. 591.

APPLICABILITY AND EFFECTIVE DATE

SEC. 712. (a) The provisions of this part shall become effective only in any fiscal year in which appropriations made pursuant to section 732(a) exceed $30,000,000 and then only with respect to the amount of such excess.

(b) The provisions of this part shall be effective on and after the beginning of fiscal year 1976.

(20 U.S.C. 1942) Enacted August 21, 1974, P.L. 93-380, sec. 712, 88 Stat. 591.

ALLOTMENTS TO STATES

SEC. 713. (a)(1) From the sums appropriated pursuant to section 732(a) for each fiscal year which are available for carrying out this part, the Commissioner shall reserve such amount, but not in excess of 1 per centum of such sums, as he may determine, and shall apportion such amount to Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title. Of the remainder of such sums, he shall allot an amount to each State which bears the same ratio to the amount available for allotment as the number of school age children (aged 5 to 12, inclusive) in each such State bears to the total number of such children in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him. The allotment of a State which would be less than $50,000 under the preceding sentence shall be increased to $50,000, and the total of the increases thereby required shall be derived by proportionally reducing the allotments to the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotments to any such remaining States from being reduced to less than $50,000.

(2) For the purpose of this section the term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

(b) The amount allotted to any State under subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reallotment from time to time, on such dates during that year as the Commissioner may fix, to other States in proportion to the amounts originally allotted among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates the local educational agencies of such State need and will be able to use for that year; and the total of these reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection from funds appropriated pursuant to section 732 for any fiscal year shall be deemed part of the amount allotted to it under subsection (a) for that year.

(20 U.S.C. 1943) Enacted August 21, 1974, P.L. 93-380, sec. 713, 88 Stat. 591, 592.

AGREEMENTS WITH STATE EDUCATIONAL AGENCIES

SEC. 714. (a) Any State which desires to receive grants under this part shall, through its State educational agency, enter into an agreement with the Commissioner, in such detail as the Commissioner deems necessary, which—

(1) designates the State educational agency as the sole agency for administration of the agreement;

(2) provides for the establishment of a State advisory council on reading, appointed by the State educational agency, which shall be broadly representative of the educational resources of the State and of the general public, including persons representative of—

(A) public and private nonprofit elementary school children, and

(B) institutions of higher education,

(C) parents of elementary school children, and

(D) areas of professional competence relating to instruction in reading,

to advise the State educational agency on the formulation of a standard of excellence for reading programs in the elementary schools and on the preparation of, and policy matters arising in the administration of, the agreement (including the criteria for approval of applications for assistance under such agreement) and in the evaluation of results of the program carried out pursuant to the agreement;

(3) describes the reading programs in elementary schools for which assistance is sought under this part and procedures for giving priority to reading programs which are already receiving Federal financial assistance and show reasonable promise of achieving success;

(4) sets forth procedures for the submission of applications by local education agencies within that State, including procedures for an adequate description of the reading programs for which assistance is sought under this part;

(5) sets forth criteria for achieving an equitable distribution of that part of the assistance under this part which is made available to local educational agencies pursuant to the second sentence of subsection (b) of this section, which criteria shall—

(A) take into account the size of the population to be served, beginning with preschool, the relative needs of pupils in different population groups within the State for the program authorized by this title, and the financial ability of the local educational agency serving such pupils,

(B) assure that such distribution shall include grants to local educational agencies having high concentrations of children with low reading proficiency, and

(C) assure an equitable distribution of funds among urban and rural areas;

(6) sets forth criteria for the selection or designation and training of personnel (such as reading specialists and administrators of reading programs) engaged in programs assisted under this part, including training for private elementary school personnel, which shall include qualifications acceptable for such personnel;

(7) provides for the coordination and evaluation of programs assisted under this part;

(8) provides for technical assistance and support services for local educational agencies participating in the program;

(9) makes provision for the dissemination to the educational community and the general public of information about the objectives of the program and results achieved in the course of its implementation;

(10) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to evaluate the effectiveness of the program and to carry out his other functions under this title;

(11) provides that not more than 5 per centum of the amount allotted to the State under section 713 for any fiscal year may be retained by the State educational agency for purposes of administering the agreement; and

(12) provides that programs assisted under this part shall be of sufficient size, scope, and quality so as to give reasonable promise of substantial progress toward achieving the purposes of this title.

(b) Grants for projects to carry out the purposes of this part may be made to local educational agencies (subject to the provision of subsection (e) relating to the participation of private elementary and secondary school pupils), institutions of higher education, and other public and nonprofit private agencies and institutions. Not less than 60 per centum of the amount allotted to a State under section 713 for any fiscal year shall be made available by the State for grants to local educational agencies within that State.

(c) The Commissioner shall enter into an agreement which complies with the provisions of subsection (a) with any State which desires to enter into such an agreement.

(d) The Commissioner's final action with respect to entering into an agreement under subsection (a) shall be subject to the provisions of section 207 of the Elementary and Secondary Education Act of 1965, relating to judicial review.

(e) The provisions of section 141A of the Elementary and Secondary Education Act of 1965 relating to the participation of children enrolled in private elementary and secondary schools shall apply to programs assisted under this part.

(20 U.S.C. 1944) Enacted August 21, 1974, P.L. 93–380, sec. 714, 88 Stat. 592, 594.

PART C—OTHER READING IMPROVEMENT PROGRAMS

SPECIAL EMPHASIS PROJECTS

SEC. 721. (a) The Commissioner is authorized to contract with local educational agencies for special emphasis projects to determine the effectiveness of intensive instruction by reading specialists and reading teachers. Each such project should provide for—

(1) the teaching of reading by a reading specialist for all children in the first and second grades of an elementary school and the teaching of reading by a reading specialist for elementary school children in grades three through six who have reading problems; and

(2) an intensive vacation reading program for elementary school children who are found to be reading below the appropriate grade level or who are experiencing problems in learning to read.

(b) No contract may be entered into under this section unless upon an application made to the Commissioner at such time in such manner, and including or accompanied by such information as he may reasonably require. Each such application shall provide assurances that—

(1) the provisions of section 705(b) are met; and

(2) the State educational agency has certified that individuals employed as reading specialists and reading teachers meet the requirements of subsections (e) and (f).

(c) No contract may be entered into under this section unless the project has been approved by the State educational agency.

(d) The Commissioner is authorized to enter into at least one arrangement with a local educational agency for a districtwide project conducted in all schools of such agencies. In selecting the districtwide project, the Commissioner shall give priority to an application from a local educational agency if the Commissioner finds that—

(1) the local educational agency will give credit for any course to be developed for reading teachers or reading specialists under section 722 and will encourage participation by the teachers of such agency in the training;

(2) the local public educational television station will present or distribute, in the event supplementary noncommercial telecommunication is utilized, any course to be developed under section 722 at an hour convenient for the viewing by elementary school teachers, and, if possible, at a time convenient for such teachers to take the course, as a group, at the elementary school where they teach; and

(3) the local educational agency will make arrangements with the appropriate officials of institutions of higher education to obtain academic credit for the completion of such a course.

(e) In any project assisted under this section a reading teacher may be used in lieu of a reading specialist, if the Commissioner finds that the local educational agency participating in a reading emphasis project is unable to secure individuals who meet the requirements of a reading specialist and if such reading teacher is enrolled or will enroll in a program to become a reading specialist. A regular elementary teacher may be used in lieu of a reading teacher if the Commissioner finds that the local educational agency participating in a reading emphasis project is unable to secure individuals who meet the requirements of the reading teacher, and if such regular elementary teacher is enrolled or will enroll in a program to become a reading teacher.

(f) For the purpose of this section and section 722 the term—

(1) "reading specialist" means an individual who has a master's degree, with a major or specialty in reading, from an accredited institution of higher education and has successfully completed three years of teaching experience, which includes reading instruction, and

(2) "reading teacher" means an individual, with a bachelor's degree, who has successfully completed a minimum of twelve credit hours, or its equivalent, in courses of the teaching of reading at an accredited institution of higher education, and has successfully completed two years of teaching experience, which includes reading instruction.

(20 U.S.C. 1961) Enacted August 21, 1974, P.L. 93–380, sec. 721, 88 Stat. 594, 595.

READING TRAINING ON PUBLIC TELEVISION

SEC. 722. (a) The Commissioner is authorized, through grants or contracts, to enter into contractual arrangements with institutions of higher education, public or private agencies or organizations, and individuals for—

(1) the preparation, production, evaluation, and distribution for use on public educational television stations of courses for elementary school teachers who are or intend to become reading teachers or reading specialists; and

(2) the preparation and distribution of informational and study course material to be used in conjunction with any such course.

(b) In carrying out the provisions of this section the Commissioner shall consult with recognized authorities in the field of reading, specialists in the use of the communications media for educational purposes, and with the State and local educational agencies participating in projects under this title.

(20 U.S.C. 1962) Enacted August 21, 1974, P.L. 93-380, sec. 722, 88 Stat. 595.

READING ACADEMIES

SEC. 723. (a) The Commissioner is authorized to make grants to and to enter into contracts with State and local educational agencies, institutions of higher education, community organizations and other nonprofit organizations, having the capacity to furnish reading assistance and instruction to youths and adults who do not otherwise receive such assistance and instruction.

(b) Grants made and contracts entered into under this section shall contain provisions to assure that such reading assistance and instruction will be provided in appropriate facilities to be known as "reading academies".

(20 U.S.C. 1963) Enacted August 21, 1974, P.L. 93-380, sec. 723, 88 Stat. 595.

PART D—GENERAL PROVISIONS

EVALUATION

SEC. 731. (a) The Commissioner shall submit an evaluation report to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives not later than March 31, in each fiscal year ending prior to fiscal year 1979. Each such report shall—

(1) contain a statement of specific and detailed objectives for the program assisted under the provisions of this title;

(2) include a statement of the effectiveness of the program in meeting the stated objectives, measured through the end of the preceding fiscal year;

(3) make recommendations with respect to any changes or additional legislation deemed necessary or desirable in carrying out the program;

(4) contain a list identifying the principal analyses and studies supporting the major conclusions and recommendations contained in the report; and

(5) contain an annual evaluation plan for the program through the ensuing fiscal year for which the budget was transmitted to Congress by the President, in accordance with section 201(a) of the Budget and Accounting Act, 1921.

(b) From the sums appropriated pursuant to section 732 for any fiscal year, the Commissioner may reserve such amount, not in excess of 1 per centum of such sums, as he deems necessary for evaluation, by the Commissioner or by public or private nonprofit agencies, of programs assisted under this title.

(20 U.S.C. 1981) Enacted August 21, 1974, P.L. 93-380, sec. 731, 88 Stat. 596.

AUTHORIZATION OF APPROPRIATIONS

SEC. 732. (a) There are authorized to be appropriated to carry out the provisions of parts A and B of this title $30,000,000 for the fiscal year ending June 30, 1975, $82,000,000 for the fiscal year ending June 30, 1976, $88,000,000 for the fiscal year ending June 30, 1977, and $93,000,000 for the fiscal year ending June 30, 1978.

(b) There are authorized to be appropriated to carry out the provisions of section 721, relating to special emphasis projects, $15,000,000 for the fiscal year ending June 30, 1975, $20,000,000 for the fiscal year ending June 30, 1976, and $25,000,000 for each of the fiscal years ending June 30, 1977 and 1978.

(c) There are authorized to be appropriated for the purpose of carrying out section 722, relating to reading training on public television, $3,000,000 for the fiscal year ending June 30, 1975. Sums appropriated pursuant to this subsection shall remain available for obligation and expenditure through the succeeding fiscal year.

(d) There are authorized to be appropriated to carry out the provisions of section 723, relating to reading academies, $5,000,000 for the fiscal year ending June 30, 1975, $7,500,000 for the fiscal year ending June 30, 1976, and $10,000,000 for each of the fiscal years ending June 30, 1977 and 1978.

(20 U.S.C. 1982) Enacted August 21, 1974, P.L. 93–380, sec. 732, 88 Stat. 596.

PART V—EDUCATIONAL PERSONNEL TRAINING PROGRAMS

Higher Education Act of 1965

(P.L. 89–329)

* * * * * * *

TITLE V—EDUCATION PROFESSIONS DEVELOPMENT

(The provisions of Title V are included in the Higher Education Act of 1965. See p. 358).

PART VI—VOCATIONAL EDUCATION PROGRAMS

Vocational Education Act of 1963

AN ACT To strengthen and improve the quality of vocational education and to expand the vocational education opportunities in the Nation, to extend for three years the National Defense Education Act of 1958 and Public Laws 815 and 874, Eighty-first Congress (federally affected areas), and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that Title I of this Act may be cited as the "Vocational Education Act of 1963".

TITLE I—VOCATIONAL EDUCATION[1]

PART A—GENERAL PROVISIONS

DECLARATION OF PURPOSE

SEC. 101. It is the purpose of this title to authorize Federal grants to States to assist them to maintain, extend, and improve existing programs of vocational education, to develop new programs of vocational education, and to provide part-time employment for youths who need the earnings from such employment to continue their vocational training on a full-time basis, so that persons of all ages in all communities of the State—those in high school, those who have completed or discontinued their formal education and are preparing to enter the labor market, those who have already entered the labor market but need to upgrade their skills or learn new ones, those with special educational handicaps, and those in postsecondary schools—will have ready access to vocational training or retraining which is of high quality, which is realistic in the light of action or anticipated opportunities for gainful employment, and which is suited to their needs, interests, and ability to benefit from such training.

(20 U.S.C. 1241) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1064.

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) There are authorized to be appropriated $355,000,000 for the fiscal year ending June 30, 1969, $565,000,000 for the fiscal year ending June 30, 1970, $675,000,000 for the fiscal year ending June 30, 1971, $675,000,000 for the fiscal year ending June 30, 1972, and $565,000,000 for the fiscal year ending June 30, 1973, and each succeeding fiscal year for the purposes of parts B and C of this title. From the amount appropriated pursuant to the preceding sentence and alotted to each State under section 103, 90 per centum shall be available for the purposes of part B and 10 per centum shall be available for the purposes of part C.

---

[1] Titles II and III of this Act, as redesignated by the Vocational Education Amendments of 1968 (P.L. 90–576), were amendments to the National Defense Education Act of 1958, Public Law 815, 81st Congress, and Public Law 874, 81st Congress. These amendments are incorporated into the text of these laws and are not printed in this part.

(b) There are also authorized to be appropriated $40,000,000 each for the fiscal years and ending June 30, 1969, and June 30, 1970, $50,000,000 for the fiscal year ending June 30, 1971, and $60,000,000 for the fiscal year ending June 30, 1972, and for the succeeding fiscal years ending prior to July 1, 1975, for the purposes of section 122(a)(4)(A). Nothing in this subsection shall be construed to affect the availability for such purposes, of appropiations made pursuant to subsection (a) of this section.

(c) There are authorized to be appropriated $17,500,000 for the fiscal year ending June 30, 1975, for the purposes of carrying out section 122(a)(4)(C). Nothing in this subsection shall be construed to affect the availability for such purpose of appropriations made pursuant to subsection (a).

(d) There are further authorized to be appropriated for each fiscal year such sums as may be necessary to pay the cost of the administration and development of State plans, the activities of advisory councils created under this title, and the evaluation and dissemination activities required pursuant to this title.

(20 U.S.C. 1242) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1064; amended, Apr. 13, 1970, P.L. 91–230, Title VII, sec. 701, 84 Stat. 188; amended June 23, 1972, P.L. 92–318, sec. 201, 86 Stat. 325; amended August 21, 1974, P.L. 93–380, sec. 841(a), 88 Stat. 606.

ALLOTMENTS AMONG STATES

SEC. 103. (a)(1) From the sums appropriated pursuant to section 102(a) the Commissioner shall first reserve an amount, not to exceed $5,000,000 in any fiscal year, for transfer to the Secretary of Labor to finance (upon terms and conditions mutually satisfactory to the Commissioner and the Secretary of Labor) national, regional, State, and local studies and projections of manpower needs for the use and guidance of Federal, State, and local officials, and of advisory councils charged with responsibilities under this title.

(2) The remainder of the sums appropriated pursuant to section 102(a) and all of the sums appropriated pursuant to section 102(b) shall be allotted among the States on the basis of the number of persons in the various age groups needing vocational education and the per capita income in the respective States as follows: The Commissioner shall allot to each State for each fiscal year—

(A) An amount which bears the same ratio to 50 per centum of the sums being allotted, as the product of the population aged fifteen to nineteen, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

(B) An amount which bears the same ratio to 20 per centum of the sums being allotted, as the product of the population aged twenty to twenty-four, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

(C) An amount which bears the same ratio to 15 per centum of the sums being allotted, as the product of the population aged twenty-five to sixty-five, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

(D) An amount which bears the same ratio to 15 per centum of the sums being allotted, as the sum of the amounts allotted to the State under subparagraphs (A), (B), and (C) for such years bears to the sum of the amounts allotted to all the States under paragraphs (A), (B), and (C) for such year.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which is less than $10,000 shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments to each of the remaining States under such subsection, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than that amount.

(c) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the program for which such amount has been allotted shall be available, from time to time, for reallotment, on such dates during such year as the Commissioner shall fix, on the basis of criteria established by regulation, first among programs authorized by other parts of this title within that State and then among other States, except that funds appropriated under section 102(b) may only be reallotted for the use set forth in section 122 (a)(4)(A). Any amount reallotted to a State under this subsection for any fiscal year shall remain available for obligation during the next succeeding fiscal year and shall be deemed to be part of its allotment for the year in which it is obligated.

(d)(1) The allotment ratio for any State shall be 1.00 less the product of—

(A) 0.50, and

(B) the quotient obtained by dividing the per capita income for the State by the per capita income for all the States (exclusive of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), except that (i) the allotment ratio in no case shall be more than 0.60 or less than 0.40, and (ii) the allotment ratio for Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be 0.60.

(2) The allotment ratios shall be promulgated by the Commissioner for each fiscal year between July 1 and September 30 of the preceding fiscal year. Allotment ratios shall be computed on the basis of the average of the appropriate per capita incomes for the three most recent consecutive fiscal years for which satisfactory data are available.

(3) The term "per capita income" means, with respect to a fiscal year, the total personal income in the calendar year ending in such year, divided by the population of the area concerned in such year.

(4) For the purposes of this section population shall be determined by the Commissioner on the basis of the latest estimates available to him.

(20 U.S.C. 1243) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1065; amended Apr. 13, 1970, P.L. 91-230, Title VII, sec. 702, 84 Stat. 189.

NATIONAL AND STATE ADVISORY COUNCILS

SEC. 104. (a)(1) There is hereby created a National Advisory Council on Vocational Education (hereinafter referred to as the "National Council") consisting of twenty-one members appointed by the President, without regard to the civil service laws, for terms of three years, except that (i) in the case of the initial members, seven shall be appointed for terms of one year each and seven shall be appointed for terms of two years each, and (ii) appointments to fill vacancies shall be only for such terms as remain unexpired. The Council shall include persons—

(A) representative of labor and management, including persons who have knowledge of the semiskilled, skilled, and technical employment in such occupational fields as agriculture, home economics, distribution and marketing, health, trades, manufacturing, office and service industries, and persons representative of new and emerging occupational fields,

(B) familiar with manpower problems and administration of manpower programs,

(C) knowledgeable about the administration of State and local vocational education programs, including members of local school boards,

(D) experienced in the education and training of handicapped persons and of persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965),

(E) familiar with the special problems and needs of individuals disadvantaged by their socioeconomic backgrounds,

(F) having special knowledge of postsecondary and adult vocational education programs, and

(G) representative of the general public who are not Federal employees, including parents and students, except that they may not be representative of categories (A) through (F), and who shall constitute no less than one-third of the total membership.

The National Council shall meet at the call of the Chairman, who shall be selected by the President, but not less than four times a year.

(2) The National Council shall—

(A) advise the Commissioner concerning the administration of, preparation of general regulations for, and operation of, vocational education programs supported with assistance under this title and under Part B of Title X of the Higher Education Act of 1965;

(B) review the administration and operation of vocational education programs under this title and under Part B of Title X of the Higher Education Act of 1965, including the effectiveness of such programs in meeting the purposes for which they are established and operated, make recommendations with respect thereto, and make annual reports of its findings and recommendations (including recommendations for changes in the provisions of this title) to the Secretary for transmittal to the Congress; and

(C) conduct independent evaluations of programs carried out under this title and under Part B of Title X of the Higher Education Act of 1965, and publish and distribute the results thereof.

(4) The Council is authorized, without regard to the civil service laws, to engage such technical assistance as may be required to carry out its functions, and to this end there are hereby authorized to be appropriated for the fiscal year ending June 30, 1969, $100,000, and for the fiscal year ending June 30, 1970, and each of the five succeeding fiscal years, $150,000.

(5) The National Council shall review the possible duplication of vocational education programs at the postsecondary and adult levels within geographic areas, and shall make annual reports of the extent to which such duplication exists, together with its findings and recommendations, to the Secretary. In making these reports, the Council shall seek the opinions of persons familiar with postsecondary and adult vocational education in each State from schools, junior colleges, technical institutes, and other institutions of higher education, as well as from State boards of education, State junior college boards, and State boards of higher education, and persons familiar with area schools, labor, business and industry, accrediting commissions, proprietary institutions, and manpower programs. Subject to section 448(b) of the General Education Provisions Act, the National Council shall continue to exist until July 1, 1976.

(b)(1) Any State which desires to receive a grant under this title for any fiscal year shall establish a State advisory council, which shall be appointed by the Governor or, in the case of States in which the members of the State board are elected (including election by the State legislature), by such board, and which shall—

(A) include as members a person or persons—

(i) familiar with the vocational needs and the problems of management and labor in the State, and a person or persons representing State industrial and economic development agencies,

(ii) representative of community and junior colleges and other institutions of higher education, area vocational schools, technical institutes, and postsecondary or adult education agencies or institutions, which may provide programs of vocational or technical education and training,

(iii) familiar with the administration of State and local vocational education programs, and a person or persons having special knowledge, experience, or qualifications with respect to vocational education and who are not involved in the administration of State or local vocational education programs,

(iv) familiar with programs of technical and vocational education, including programs in comprehensive secondary schools,

(v) representative of local educational agencies, and a person or persons who are representative of school boards,

(vi) representative of manpower and vocational education agencies in the State, including a person or persons from the Comprehensive Area Manpower Planning System of the State,

(vii) representing school systems with large concentrations of academically, socially, economically, and culturally disadvantaged students (and may include, where appropriate, students who are persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965))".

(viii) having special knowledge, experience, or qualifications, with respect to the special educational needs of physically or mentally handicapped persons, and

(ix) representative of the general public, including a person or persons representative of and knowledgeable about the poor and disadvantaged, who are not qualified for membership under any of the preceding clauses of this paragraph;

(B) advise the State board on the development of and policy matters arising in the administration of the State plan submitted pursuant to part B of this title, including the preparation of long-range and annual program plans pursuant to paragraphs (4) and (5) of section 123(a);

(C) evaluate vocational education programs, services and activities assisted under this title, and publish and distribute the results thereof; and

(D) prepare and submit through the State board to the Commissioner and to the National Council an annual evaluation report, accompanied by such additional comments of the State board as the State board deems appropriate, which (i) evaluates the effectiveness of vocational education programs, services, and activities carried out in the year under review in meeting the program objectives set forth in the long-range program plan and the annual program plan provided for in paragraphs (4) and (5) of section 123(a), and (ii) recommends such changes in such programs, services, and activities as may be warranted by the evaluations.

(2) Not less than ninety days prior to the beginning of any fiscal year ending after June 30, 1969, in which a State desires to receive a grant under this title, that State shall certify the establishment of, and membership of, its State Advisory Council to the Commissioner.

(3) Each State Advisory Council shall meet within thirty days after certification has been accepted by the Commissioner and select from among its membership a chairman. The time, place, and manner of meeting shall be as provided by the rules of the State Advisory Council, except that such rules must provide for not less than one

public meeting each year at which the public is given opportunity to express views concerning vocational education.

(4) State Advisory Councils are authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this title and to contract for such services as may be necessary to enable them to carry out their evaluation functions.

(c) State advisory councils also shall perform with respect to the programs carried out under part B of title X of the Higher Education Act of 1965 functions identical with or analogous to those assigned under this title, and the Commissioner shall assure that adequate funds are made available to such Councils from funds appropriated to carry out part B of that title (without regard to whether such funds have been allotted to States) to enable them to perform such functions.

(d) From the sums appropriated pursuant to section 102(c) for any fiscal year, the Commissioner is authorized (in accordance with regulations) to pay to each State Advisory Council an amount equal to the reasonable amounts expended by it in carrying out its functions under this title in such fiscal year, except that the amount available for such purpose shall be equal to 1 per centum of the State's allotment under section 103, but such amount shall not exceed $150,000 and shall not be less than $50,000.

(20 U.S.C. 1244) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101, 82 Stat. 1066; subsection (a)(3) repealed Apr. 13, 1970, P.L. 91-230, Title IV, sec. 401(b) and superseded by sec. 434 of Title IV of P.L. 90–247, as amended (20 U.S.C. 1233c); subsection (b)(1) amended Apr. 13, 1970, P.L. 91–230, Title VII, sec. 703, 84 Stat. 189, subsection (a)(4) amended June 23, 1972, P.L. 92–318, sec. 209, 86 Stat. 326, further amended by P.L. 92–318, sec. 509(b), 86 Stat. 353; amended August 21, 1974, P.L. 93–380, sec. 841(a), 88 Stat. 606, 607.

LIMITATION ON PAYMENTS UNDER THIS TITLE

SEC. 107. (a) Nothing contained in this title shall be construed to authorize the making of any payment under this title for religious worship or instruction, or for the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

(b) Funds appropriated pursuant to this title may be used for residential vocational education schools only to the extent that the operation of such schools is consistent with general regulations of the Commissioner concerning the operation of such schools, but in no case may juveniles be assigned to such schools as the result of their delinquent conduct, and such facilities may not be used in such a manner as to result in racial segregation.

(20 U.S.C. 1247) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1069.

DEFINITIONS

SEC. 108. For the purposes of this title—

(1) The term "vocational education" means vocational or technical training or retraining which is given in schools or classes (including field or laboratory work and remedial or related academic and techni-

cal instruction incident thereto) under public supervision and control or under contract with a State board or local educational agency and is conducted as part of a program designed to prepare individuals for gainful employment (including volunteer firemen) as semiskilled or skilled workers or technicians or subprofessionals in recognized occupations and in new and emerging occupations or to prepare individuals for enrollment in advanced technical education programs, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specifies by regulation, to be generally considered professional or which requires a baccalaureate or higher degree; and such term includes vocational guidance and counseling (individually or through group instruction) in connection with such training or for the purpose of facilitating occupational choices; instruction related to the occupation or occupations for which the students are in training or instruction necessary for students to benefit from such training; job placement; the training of persons engaged as, or preparing to become, teachers in a vocational education program or preparing such teachers to meet special education needs of handicapped students; teachers, supervisors, or directors of such teachers while in such a training program; travel of students and vocational education personnel while engaged in a training program; and the acquisition, maintenance, and repair of instructional supplies, teaching aids, and equipment, but such term does not include the construction, acquisition, or initial equipment of buildings or the acquisition or rental of land. Such terms includes industrial arts education programs in cases where the Commissioner determines by regulation that such programs will accomplish or facilitate one or more of the purposes of the first sentence of this paragraph.

(2) The term "area vocational education school" means—

(A) a specialized high school used exclusively or principally for the provision of vocational education to persons who are available for study in preparation for entering the labor market, or

(B) the department of a high school exclusively or principally used for providing vocational education in no less than five different occupational fields to persons who are available for study in preparation for entering the labor market, or

(C) a technical or vocational school used exclusively or principally for the provision of vocational education to persons who have completed or left high school and who are available for study in preparation for entering the labor market, or

(D) the department or division of a junior college or community college or university which provides vocational education in no less than five different occupational fields, under the supervision of the State Board, leading to immediate employment but not necessarily leading to a baccalaureate degree,

if it is available to all residents of the State or an area of the State designated and approved by the State Board, and if, in the case of a school, department, or division described in (C) or (D), if it admits as regular students both persons who have completed high school and persons who have left high school.

(3) The term "school facilities" means classrooms and related facilities (including initial equipment) and interests in lands on which such facilities are constructed. Such term shall not include any facility

intended primarily for events for which admission is to be charged to the general public.

(4) The term "construction" includes construction of new buildings and acquisition, expansion, remodeling, and alteration of existing buildings, and includes site grading and improvement and achitect fees.

(5) The term "Commissioner" means the Commissioner of Education, and the term "Secretary" means the Secretary of Health, Education, and Welfare.

(6) The term "handicapped," when applied to persons, means persons who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled or other health impaired persons who by reason thereof require special education and related services.

(7) The term "State" includes, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(8) The term "State Board" means a State Board designated or created by State law as the sole State agency responsible for the administration of vocational education, or for supervision of the administration thereof by local educational agencies, in the State.

(9) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public educational institution or agency having administrative control and direction of a vocational education program.

(10) The term "high school" does not include any grade beyond grade 12.

(11) The term "private vocational training institution" means a business or trade school, or technical institution or other technical or vocational school, in any State, which (A) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (B) is legally authorized to provide, and provides within that State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; (C) has been in existence for two years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subsection; and (D) is accredited (i) by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this clause, or (ii) if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit schools of a particular category, by a State agency listed by the Commissioner pursuant to this clause, or (iii) if the Commissioner determines that there is no nationally recognized or State agency or association qualified to accredit schools of a particular category, by an advisory committee appointed by him and composed of persons specially qualified to evaluate training provided by schools of that category, which committee shall prescribe the standards of content, scope, and quality which must be met by those

schools and shall also determine whether particular schools meet those standards. For the purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations and State agencies which he determines to be reliable authority as to the quality of education or training afforded.

(12) The term "Vocational Education Act of 1946" means titles I, II, and III of the Act of June 9, 1936, as amended (20 U.S.C. 15i–15m, 15o–15q, 15aa–15jj, 15aaa–15ggg).

(13) The term "supplementary vocational education Acts" means section 1 of the Act of March 3, 1931 (20 U.S.C. 30) (relating to vocational education in Puerto Rico), the Act of March 18, 1950 (20 U.S.C. 31–33) (relating to vocational education in the Virgin Islands), and section 9 to the Act of August 1, 1956 (20 U.S.C. 34) (relating to vocational education in Guam).

(14) The term "vocational training" means training or retraining which is conducted as part of a program designed to prepare individuals for gainful employment as semiskilled or skilled workers or technicians or subprofessionals in recognized occupations and in new and emerging occupations, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specifies by regulation, to be generally considered professional which requires a baccalaureate or higher degree; such term includes guidance and counseling (either individually or through group instruction) in connection with such training or for the purpose of facilitating occupational choices; instruction related to the occupation or occupations to which the students are in training or instruction necessary for students to benefit from such training; the training of persons engaged as, or preparing to become, instructors in a vocational training program; travel of students and vocational training personnel while engaged in a training program; and the acquisition, maintenance, and repair of instructional supplies, aids, and equipment, but such term does not include the construction, acquisition, or initial equipment of buildings or the acquisition or rental of land.

(15) The term "postsecondary educational institution" means a nonprofit institution legally authorized to provide postsecondary education within a State for persons sixteen years of age or older, who have graduated from or left elementary or secondary school.

(20 U.S.C. 1248) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1069; amended June 23, 1972, P.L. 92–318, sec. 202, 86 Stat. 325; amended August 21, 1974, P.L. 93–380, sec. 841(a)(3), 88 Stat. 607.

PART B—STATE VOCATIONAL EDUCATION PROGRAMS

AUTHORIZATION OF GRANTS

SEC. 121. From the sums made available for grants under this part pursuant to sections 102 and 103, the Commissioner is authorized to make grants to States to assist them in conducting vocational education programs for persons of all ages in all communities of the States, which are designed to insure that education and training programs for career vocations are available to all individuals who desire and need such education and training.

(20 U.S.C. 1261) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1072.

USES OF FEDERAL FUNDS

SEC. 122. (a) Grants to States under this part may be used, in accordance with State plans approved pursuant to section 123, for the following purposes:

(1) vocational education programs for high school students, including such programs which are designed to prepare them for advanced or highly skilled postsecondary vocational and technical education;

(2) vocational education for persons who have completed or left high school and who are available for study in preparation for entering the labor market;

(3) vocational education for persons (other than persons who are receiving training allowances under the Manpower Development and Training Act of 1962 (Public Law 87-415), the Area Redevelopment Act (Public Law 87-27), or the Trade Expansion Act of 1962 (Public Law 87-794)) who have already entered the labor market and who need training or retraining to achieve stability or advancement in employment;

(4)(A) vocational education for persons (other than handicapped persons defined in section 108(6)) who have academic, socioeconomic, or other handicaps that prevent them from succeeding in the regular vocational education program;

(B) vocational education for handicapped persons who because of their handicapping condition cannot succeed in the regular vocational education program without special educational assistance or who require a modified vocational education program;

(C) vocational education for students of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965) carried out in coordination with bilingual education programs under such title VII and bilingual adult education programs under section 306(a)(11) of the Adult Education Act;

(5) construction of area vocational education school facilities;

(6) vocational guidence and counseling designed to aid persons enumerated in paragraphs (1) through (4) of this subsection in the selection of, and preparation for, employment in all vocational areas;

(7) provision of vocational training through arrangements with private vocational training institutions where such private institutions can make a significant contribution to attaining the objectives of the State plan, and can provide substantially equivalent training at a lesser cost, or can provide equipment or services not available in public institutions; and

(8) ancillary services and activities to assure quality in all vocational education programs, such as teacher training and supervision, program evaluation, special demonstration and experimental programs, development of instructional materials, and improved State administration and leadership, including periodic evaluation of State and local vocational education programs and services in light of information regarding current and projected manpower needs and job opportunities.

(b) In addition to the uses of funds specified in subsection (a), funds appropriated pursuant to section 102(c) and paid to a State for the following purpose by the Commissioner may be used for—

(1) the development of the State plan;

(2) State administration of the State plan, including obtaining information regarding current and projected manpower needs and job opportunities; and

(3) the evaluations required under this title and the dissemination of the results thereof.

(c)(1) At least 25 per centum of that portion of each State's allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, which is in excess of its base allotment shall be used only for the purpose set forth in paragraph (4)(A) of subsection (a): *Provided*, That for any such fiscal year the amount used for such purpose shall not be less than 15 per centum of the total allotment of such funds for each State, except as any requirement under this paragraph may be waived for any State by the Commissioner for any fiscal year upon his finding that the requirement imposes a hardship or is impractical in its application.

(2) At least 25 per centum of that portion of each State's allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, which is in excess of its base allotment shall be used only for the purpose set forth in paragraph (2) of subsection (a): *Provided*, That for any such fiscal year the amount used for such purpose shall not be less than 15 per centum of the total allotment of such funds for each State, except as any requirement under this paragraph may be waived for any State by the Commissioner for any fiscal year upon his finding that the requirement imposes a hardship or is impractical in its application.

(3) At least 10 per centum of each State's allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, shall be used only for the purpose set forth in paragraph 4(B) of subsection (a).

(4) As used in this subsection, the term "base allotment" means the sum of the allotments to a State for the fiscal year ending June 30, 1969, from (1) sums appropriated under section 102(a) of this Act, (2) the Smith-Hughes Act (that is, the Act approved February 23, 1917 (39 Stat. 929; 20 U.S.C. 11–15, 16–28)), (3) the Vocational Education Act of 1946, and (4) any of the supplementary vocational educational Acts (including, in the case of American Samoa, section 2 of the Act of September 25, 1962, 48 U.S.C. 1667).

(20 U.S.C. 1262) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1072; amended August 21, 1974, P.L. 93–380, sec. 841(a)(5), 88 Stat. 607.

STATE PLANS

SEC. 123. (a) Any State desiring to receive the amount for which it is eligible for any fiscal year pursuant to this title shall submit a State plan at such time, in such detail, and containing such information as the Commissioner deems necessary, which meets the requirements set forth in this title. The Commissioner shall approve a plan submitted by a State if he determines that the plan submitted for that year—

(1) has been prepared in consultation with the State advisory council for that State;

(2) designates the State board as the sole agency for administration of the State plan, or for supervision of the administration thereof by local educational agencies;

(3) has been submitted only after the State board (A) has given reasonable notice, and afforded a reasonable opportunity for a public hearing, and (B) has implemented policies and procedures to insure that copies of the State plan and all statements of general policies, rules, regulations, and procedures issued by the State board concerning the administration of such plan will be made reasonably available to the public;

(4) sets forth a long-range program plan (or, as is appropriate, a supplement to, or revision of, a previously submitted long-range plan) for vocational education in the State, which program plan (A) has been prepared in consultation with the State advisory council, (B) extends over such period of time (but not more than five years or less than three years), beginning with the fiscal year for which the State plan is submitted, as the Commissioner deems necessary and appropriate for the purposes of this title, (C) describes the present and projected vocational education needs of the State in terms of the purposes of this title, and (D) sets forth a program of vocational education objectives which affords satisfactory assurance of substantial progress toward meeting the vocational education needs of the potential students in the State;

(5) sets forth an annual program plan, which (A) has been prepared in consultation with the State advisory council, (B) describes the content of, and allocation of Federal and State vocational education funds to programs, services, and activities to be carried out under the State plan during the year for which Federal funds are sought (whether or not supported with Federal funds under this title), (C) indicates how and to what extent, such programs, services, and activities will carry out the program objectives set forth in the long-range program plan provided for in paragraph (4), and (D) indicates how, and to what extent, allocations of Federal funds allotted to the State will take into consideration the criteria set forth in the State plan pursuant to paragraph (6), and (E) indicates the extent to which consideration was given to the findings and recommendations of the State advisory council in its most recent evaluation report submitted pursuant to section 104;

(6) sets forth in detail the policies and procedures to be followed by the State in the distribution of funds to local educational agencies in the State and for the uses of such funds, specified in paragraphs (1) through (8) of section 122(a), for the programs, services, and activities set forth in the program plans submitted pursuant to paragraphs (4) and (5), which policies and procedures assure that—

(A) due consideration will be given to the results of periodic evaluations of State and local vocational education programs, services, and activities in the light of information regarding current and projected manpower needs and job opportunities, particularly new and emerging needs and opportunities on the local, State, and national levels,

(B) due consideration will be given to the relative vocational education needs of all population groups in all geographic areas and communities in the State, particularly persons with academic, socioeconomic, mental, and physical handicaps that prevent them from succeeding in regular vocational education programs,

(C) due consideration will be given to the relative ability of particular local educational agencies within the State, particularly those in economically depressed areas and those with high rates of unemployment, to provide the resources necessary to meet the vocational education needs in the areas or communities served by such agencies,

(D) due consideration will be given to the cost of the programs, services, and activities provided by local educational agencies which is in excess of the cost which may be normally attributed to the cost of education in such local educational agencies,

(E) funds made available under this title will not be allocated to local educational agencies in a manner, such as the matching of local expenditures at a percentage ratio uniform throughout the State, which fails to take into consideration the criteria set forth in paragraphs (A), (B), (C), and (D),

(F) applications from local educational agencies for funds—

(i) have been developed in consultation with representatives of the educational and training resources available to the area to be served by the applicant,

(ii) are designed to provide the persons to be served with education programs which will make substantial progress toward preparing such persons for a career,

(iii) include assurances of adequate planning to meet the vocational education needs of potential students in the area or community served by such agency, and,

(iv) include a plan, related to the appropriate comprehensive area manpower plan (if any), for meeting the vocational education needs in the area or community served by such agency; and

(v) indicate how, and to what extent the vocational education programs, services, and activities proposed in the application will meet the needs set forth pursuant to clause (iii); and

(G) no local educational agency which is making a reasonable tax effort, as defined by regulations, will be denied funds for the establishment of new vocational education programs solely because the local educational agency is unable to pay the non-Federal share of the cost of such new programs;

(7) provides minimum qualification for teachers, teacher-trainees, supervisors, directors, and other personnel having responsibilities for vocational education in the State and the policies and

procedures developed to improve the qualifications of such personnel and to insure that such qualifications continue to reflect a direct relationship with the need for personnel in vocational education programs carried out under the State plan;

(8) provides for entering into cooperative arrangements with the system of public employment offices in the State approved by the State board and by the State head of such system, looking toward such offices making available to the State board and local educational agencies occupational information regarding reasonable prospects of employment in the community and elsewhere, and toward consideration of such information by such board and agencies in providing vocational guidance and counseling to students and prospective students and in determining the occupations for which persons are to be trained; and looking toward guidance and counseling personnel of the State board and local educational agencies making available to public employment offices information regarding the occupational qualifications of persons leaving or completing vocational education courses or schools, and toward consideration of such information by such offices in the occupational guidance and placement of such persons;

(9) provides that in the development of vocational education programs, services and activities under this title, there may be, in addition to the cooperative arrangements provided for in paragraph (8), cooperative arrangements with other agencies, organizations, and institutions concerned with manpower needs and job opportunities, such as institutions of higher education, and model city, business, labor, and community action organizations;

(10) provides that effective use will be made of the results and experience of programs and projects assisted under other parts of this title;

(11) provides assurance that Federal funds made available under this part will be so used as to supplement, and to the extent practical, increase the amount of State and local funds that would in the absence of such Federal funds be made available for the uses set forth in section 122(a), so that all persons in all communities of the State will as soon as possible have ready access to vocational training suited to their needs, interests, and ability to benefit therefrom, and in no case supplant such State or local funds;

(12) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under this title;

(13) provides that any local educational agency dissatisfied with final action with respect to any application for funds under this title shall be given reasonable notice and opportunity for a hearing;

(14) provides assurance that the requirements of section 106 will be complied with on all construction projects in the State assisted under this title;

(15) provides for compliance with the requirements with respect to the use of funds set forth in section 122(c);

(16) provides that grants made from sums appropriated under section 102(b) shall (A) be allocated within the State to areas of high concentration of youth unemployment and school dropouts, and (B) be made only if (i) to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students, and (ii) effective policies and procedures will be adopted which assure that Federal funds made available under this section to accommodate students in nonprofit private schools will not be commingled with State or local funds;

(17) provides for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports; and

(18) includes provisions which shall assure that funds authorized by this title will not be used for any program of vocational education (except homemaking programs under part F) which cannot be demonstrated to (A) prepare students for employment or (B) be necessary to prepare individuals for successful completion of such a program, or (C) be of significant assistance to individuals enrolled in making an informed and meaningful occupational choice.

(b) The Commissioner shall not approve a State plan under this section until he has made specific findings as to the compliance of such plan with the requirements of this part and he is satisfied that adequate procedures are set forth to insure that the assurances and provisions of such plan will be carried out.

(c)(1) The Commissioner shall not finally disapprove any plan submitted under subsection (a), or any modification thereof, without first affording the State board submitting the plan reasonable notice and opportunity for a hearing.

(2) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State board administering a State plan approved under subsection (a), finds that—

(A) the State plan has been so changed that it no longer complies with the provisions of subsection (a), or

(B) in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State board that no further payments will be made to the State under this title (or, in his discretion, further payments to the State will be limited to programs under or portions of the State plan not affected by such failure) until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Commissioner shall make no further payments to such State under this title (or shall limit payments to programs under or portions of the State plan not affected by such failure).

(3) A State board which is dissatisfied with a final action of the Commissioner under this subsection or subsection (b) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Commissioner may modify or set aside his action. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

(d)(1) If any local educational agency is dissatisfied with the final action of the State board with respect to approval of an application by such local agency for a grant pursuant to this title, such local agency may, within sixty days after such final action or notice thereof, whichever is later, file with the United States court of appeals for the circuit in which the State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the State board. The State board thereupon shall file in the court the record of the proceedings on which the State board based its action as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the State board, if supported by substantial evidence shall be conclusive; but the court, for good cause shown, may remand the case to the State board to take further evidence, and the State board may thereupon make new or modified finding of fact and may modify its previous action, and shall certify to the court the record of the further proceedings.

(3) The court shall have jurisdiction to affirm the action of the State board or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 1263) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1073.

PAYMENTS TO STATES

SEC. 124. (a) The Commissioner shall pay, from the amount available to the State for grants under this part, to each State an amount equal to 50 per centum of the State and local expenditures in carrying out its State plan as approved pursuant to section 123, except that—

(1) allotments of States under section 103 from sums appropriated under section 102(b) may be used, at the discretion of the Commissioner, for paying all or part of the expenditures of the States from such allotments; and

(2) in the case of the Trust Territory of the Pacific Islands and American Samoa, such amount shall be equal to 100 per centum of such expenditures.

(b) Payments under this title may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(c) No payments shall be made in any fiscal year under this title to any local educational agency or to any State unless the Commissioner finds, in the case of a local educational agency, that the combined fiscal effort of that agency and the State with respect to the provision of vocational educational by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year or, in the case of a State, that the fiscal effort of that State for vocational education in that State for the preceding fiscal year was not less than such fiscal effort for vocational education for the second preceding fiscal year.

(20 U.S.C. 1264) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1078.

PART C—RESEARCH AND TRAINING IN VOCATIONAL EDUCATION

AUTHORIZATION OF GRANTS AND CONTRACTS

SEC. 131. (a) From 50 per centum of the sums available to each State for the purposes of this part the Commissioner is authorized to make grants to and contracts with institutions of higher education, public and private agencies and institutions, State boards, and, with the approval of the appropriate State board, to local educational agencies in that State for the purposes set forth in section 132, except that no grant may be made other than to a nonprofit agency or institution.

(b) The remaining 50 per centum of the sums available to each State for the purposes of this part shall be used by its State board, in accordance with its State plan, (1) for paying up to 75 per centum of the costs of the State research coordination unit, and (2) for grants to colleges and universities, and other public or nonprofit private agencies and institutions, and local educational agencies and contracts with private agencies, organizations, and institutions to pay 90 per centum of the costs of programs and projects for (i) research and training programs, (ii) experimental, developmental, or pilot programs developed by such institutions and agencies and designed to meet the special vocational needs of youths, particularly youths in economically depressed communities who have academic, socioeconomic, or other handicaps that prevent them from succeeding in the regular vocational education programs, and (iii) the dissemination of information derived from the foregoing programs or from research and demonstrations in the field of vocational education, which programs and projects have been recommended by the State research coordination unit or by the State advisory council.

(20 U.S.C. 1281) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1078.

USES OF FEDERAL FUNDS

SEC. 132. The funds available for grants and contracts under section 131(a) may be used for—

(1) research in vocational education;

(2) training programs designed to familiarize persons involved in vocational education with research findings and successful pilot and demonstration projects in vocational education;

(3) experimental, developmental, and pilot programs and projects designed to test the effectiveness of research findings;

(4) demonstration and dissemination projects;

(5) the development of new vocational education curricula; and

(6) projects in the development of new careers and occupations, such as—

(A) research and experimental projects designed to identify new careers in such fields as mental and physical health, crime prevention and correction, welfare, education, municipal services, child care, and recreation requiring less training than professional positions and to delineate within such careers roles with the potential for advancement from one level to another;

(B) training and development projects designed to demonstrate improved methods of securing the involvement, cooperation, and commitment of both the public and private sectors toward the end of achieving greater coordination and more effective implementation of programs for the employment of persons in the fields described in subparagraph (A), including programs to prepare professionals (including administrators) to work effectively with aides; and

(C) projects to evaluate the operation of programs for the training, development, and utilization of public service aides, particularly their effectiveness in providing satisfactory work experiences and in meeting public needs.

(20 U.S.C. 1282) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1079.

APPLICATIONS

SEC. 133. (a) A grant or contract under section 131(a) may be made upon application to the Commissioner at such time or times, in such manner, and containing, or accompanied by, such information as the Commissioner deems necessary. Such application shall contain—

(1) a description of the nature, duration, purpose, and plan of the project;

(2) the qualifications of the principal staff who will be responsible for the project;

(3) a justification of the amount of grant funds requested;

(4) the portion of the cost to be borne by the applicant; and

(5) such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant.

(b) The Commissioner may not approve an application until such application has been reviewed by a panel of experts who are not employees of the Federal Government.

(20 U.S.C. 1283) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1079.

PAYMENTS

Sec. 134. From the amount available for grants or contracts under section 131(a), the Commissioner shall pay to each applicant part of the amount expended by such applicant in accordance with the application approved pursuant to section 133.

(20 U.S.C. 1284) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1080.

Part D—Exemplary Programs and Projects

FINDINGS AND PURPOSE

Sec. 141. The Congress finds that it is necessary to reduce the continuing seriously high level of youth unemployment by developing means for giving the same kind of attention as is now given to the college preparation needs of those young persons who go on to college, to the job preparation needs of the two out of three young persons who end their education at or before completion of the secondary level, too many of whom face long and bitter months of job hunting or marginal work after leaving school. The purposes of this part, therefore, are to stimulate, through Federal financial support, new ways to create a bridge between school and earning a living for young people, who are still in school, who have left school either by graduation or by dropping out, or who are in postsecondary programs of vocational preparation, and to promote cooperation between public education and manpower agencies.

(20 U.S.C. 1301) Enacted Oct. 24, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1080.

AUTHORIZATION OF GRANTS AND CONTRACTS

Sec. 142. (a) There are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1969, $57,500,000 for the fiscal year ending June 30, 1970, and $75,000,000 for each of the five succeeding fiscal years to enable the Commissioner to carry out the provisions of this part.

(b)(1) From the sums appropriated pursuant to this part the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine and shall allot such amount among

Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territories of the Pacific Islands according to their respective needs for assistance under this part.

(2) From the remainder of such sums the Commissioner shall allocate $200,000 to each State (except for those provided for in paragraph (1)), and he shall in addition allocate to each such State an amount which bears the same ratio to any residue of such remainder as the population aged fifteen to nineteen, both inclusive, in the State bears to the population of such ages in all such States.

(c) From 50 per centum of the sums allotted to each State for the purposes of this part, the Commissioner is authorized to make grants to or contracts with State boards or local educational agencies for the purpose of stimulating and assisting in the development, establishment, and operation of programs or projects designed to carry out the purposes of this part. The Commissioner also may make in such State from such sums, grants to other public or nonprofit private agencies, organizations, or institutions, or contracts with public or private agencies, organizations, or institutions, when such grants or contacts will make an especially significant contribution to attaining the objectives of this part.

(d) The State board may use the remaining 50 per centum of such sums for making grants to local educational agencies or other public or nonprofit private agencies, organizations, or institutions, or contracts with public or private agencies, organizations, or institutions including business and industrial concerns, upon such terms and conditions consistent with the provisions of this part and with its State plan approved pursuant to section 123, as it determines will most effectively carry out the development, establishment, and operation of exemplary and innovative occupational education programs or projects designed to serve as models for use in vocational education programs.

(20 U.S.C. 1302) Enacted Oct. 24, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1080; amended June 23, 1972, P.L. 92–318, sec. 203, 86 Stat. 325.

USES OF FUNDS

SEC. 143. (a) Grants or contracts pursuant to this part may be made, upon terms and conditions consistent with the provisions of this part, to pay all or part of the cost of—

(1) planning and developing exemplary programs or projects such as those described in paragraph (2), or

(2) establishing, operating, or evaluating exemplary programs or projects designed to carry out the purposes set forth in section 141, and to broaden occupational aspirations and opportunities for youths, with special emphasis given to youths who have academic, socioeconomic, or other handicaps, which programs or projects may, among others, include—

(A) those designed to familiarize elementary and secondary school students with the broad range of occupations for which special skills are required and the requisites for careers in such occupations;

(B) programs or projects for students providing educational experiences through work during the school year or in the summer;

(C) programs or projects for intensive occupational guidance and counseling during the last years of school and for initial job placement;

(D) programs or projects designed to broaden or improve vocational education curriculums;

(E) exchanges of personnel between schools and other agencies, institutions, or organizations participating in activities to achieve the purposes of this part, including manpower agencies and industry;

(F) programs or projects for young workers released from their jobs on a part-time basis for the purpose of increasing their educational attainment; and

(G) programs or projects at the secondary level to motivate and provide preprofessional preparation for potential teachers for vocational education.

(b)(1) A grant or contract pursuant to this part may be made only if the Commissioner is in the case of grants or contracts made by him, or the State board, in the case of grants or contracts made by it, determines—

(A) that effective procedures will be adopted by grantees and contractors to coordinate the development and operation of other programs and projects carried out under grants or contracts pursuant to this part, with the appropriate State plan, and with other public and private programs having the same or similar purposes;

(B) that to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students; and

(C) that effective policies and procedures will be adopted which assure that Federal funds made available under this part will not be commingled with State or local funds.

(2) The amount available to a State pursuant to section 142(d) shall be available for obligation for grants or contracts pursuant to the State plan approved under section 123, for paying all of the cost of programs described in section 142(d) and section 143(a) during that year and the succeeding fiscal year.

(3) No grant or contract (other than a grant or contract with a State board) shall be made by the Commissioner under section 142(c) with respect to any program or project unless such program or project has been submitted to the State board in the State in which it is to be conducted and has not been disapproved by the State board within sixty days of such submission or within such longer period of time as the Commissioner may determine pursuant to regulations.

(4) Notwithstanding any other provision of law, unless hereafter enacted expressly in limitation of the provisions of this paragraph, funds available to Commissioner pursuant to section 142(c) shall remain available until expended.

(20 U.S.C. 1303) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1081.

PAYMENTS

SEC. 144. From the amount available for grants and contracts, under this part pursuant to section 142(c), in the appropriate State, the Commissioner shall pay to each applicant an amount equal to the amount expended by such applicant in accordance with the approved application. Such payment may be made on such terms as are approved in such application. Payment pursuant to grants under this part may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Commissioner may determine.

(20 U.S.C. 1304) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1082.

LIMITATION ON DURATION OF ASSISTANCE

SEC. 145. Financial assistance may not be given under this part to any program or project for a period exceeding three years.

(20 U.S.C. 1305) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1082.

PART E—RESIDENTIAL VOCATIONAL EDUCATION

DEMONSTRATION SCHOOLS

SEC. 151. (a) For the purpose of demonstrating the feasibility and desirability of residential vocational education schools for certain youths of high school age, the Commissioner is authorized to make grants, out of sums appropriated pursuant to subsection (b) to State boards, to colleges and universities, and with the approval of the appropriate State board, to public educational agencies, organizations or institutions for the construction, equipment, and operation of residential schools to provide vocational education (including room, board, and other necessities) for youths, at least fifteen years of age and less than twenty-one years of age at the time of enrollment, who need full-time study on a residential basis in order to benefit fully from such education. In making such grants, the Commissioner shall give special consideration to the needs of large urban areas having substantial numbers of youths who have dropped out of school or are unemployed and shall seek to attain, as nearly as practicable in the light of the purposes of this section, an equitable geographical distribution of such schools.

(b) There are authorized to be appropriated for the purpose of this section $25,000,000 for the fiscal year ending June 30, 1969, $30,000,000 for the fiscal year ending June 30, 1970, and $35,000,000 each for the fiscal year ending June 30, 1971, and for each of the succeeding fiscal years ending prior to July 1, 1975.

(20 U.S.C. 1321) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1082; amended June 23, 1972, P.L. 92-318, sec. 204(a), 86 Stat. 326.

STATE PROGRAMS

SEC. 152. (a)(1) There are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1969, and for each of the succeeding fiscal years ending prior to July 1, 1975, for grants to the States to provide residential vocational education facilities in accordance with the provisions of this section.

(2) From the sums appropriated under paragraph (1), the Commissioner shall allot to each State an amount which bears the same ratio to such sums as the population of each State bears to the population of all the States.

(3) For purposes of this section—

(A) the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(B) the amount allotted under this subsection to any State for the fiscal year ending June 30, 1969, shall be available for payments to applicants with approved applications in that State during that year and the next fiscal year; and

(C) the amount of any State's allotment under subsection (a)(2) for any fiscal year, which the Commissioner determines will not be required for such fiscal year for carrying out the State's plan approved under subsection (b), shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, and on the basis of such factors as he determines to be equitable and reasonable, to other States which as determined by the Commissioner are able to use without delay any amounts so reallotted for the purposes set forth in subsection (b). Any amount realotted to a State under this paragraph during such year shall be deemed part of its allotment for such year.

(b)(1) Funds allotted to the States under subsection (a) shall be used by the States, or, with the approval of the State boards, by public educational agencies, organizations, or institutions within such State, to pay the Federal share of the cost of planning, constructing, and operating residential vocational education facilities to provide vocational education (including room, board, and other necessities) for youths, at least age fourteen but who have not attained age twenty-one at the time of admission to the training program, who need full-time study on a residential basis and who can profit from vocational education instruction. In the administration of the program conducted under this section, special consideration shall be given to needs in geographical areas having substantial or disproportionate numbers of youths who have dropped out of school or are unemployed, and to serving persons from such areas.

(2) For purposes of this section, the Federal share of the cost of planning, constructing, and operating residential vocational education facilities shall not exceed 90 per centum of the costs incurred in any fiscal year.

(c) For purposes of this section the State plan approved under section 123 shall set forth the policies and procedures to be used by the State in determining the size and location of such residential vocational facilities, taking into account the use of existing vocational education facilities. Such policies and procedures must give assurance that—

(1) adequate provision will be made for the appropriate selection without regard to sex, race, color, religion, national origin or place of residence within the State of students needing education and training at such school;

(2) the residential school facility will be operated and maintained for the purpose of conducting a residential vocational education school program;

(3) vocational course offerings at such school will include fields for which available labor market analyses indicate a present or continuing need for trained manpower, and that the courses offered will be appropriately designed to prepare enrollees for entry into employment or advancement in such fields; and

(4) no fees, tuition, or other charges will be required of students who occupy the residential vocational education facility.

(d) For purposes of this section—

(1) the term "residential school facility" means a school facility (as defined in section 108(3)), used for residential vocational education purposes. Such term also includes dormitory, cafeteria, and recreational facilities, and such other facilities as the Commissioner determines are appropriate for a residential vocational education school,

(2) the term "operation" means maintenance and operation, and includes the cost of salaries, equipment supplies, and materials, and may include but is not limited to other reasonable costs of services and supplies needed by residential students, such as clothing and transportation.

(20 U.S.C. 1322) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1083; amended April 13, 1970, P.L. 91–230, Title VII, sec. 704(a), 84 Stat. 189; amended June 23, 1972, P.L. 92–318, sec. 204(b), 86 Stat. 326.

GRANTS TO REDUCE BORROWING COSTS FOR SCHOOLS AND DORMITORIES

SEC. 153. (a) The Commissioner is authorized to make annual grants to State boards, to colleges and universities, and with the approval of the appropriate State board, to public educational agencies, organizations, or institutions to reduce the cost of borrowing funds for the construction of residential schools and dormitories to provide vocational education for youths, at least fourteen years of age and less than twenty-one years of age at the time of enrollment, who need full-time study on a residential basis in order to benefit fully from such education. In making contracts for such grants, the Commissioner shall give special consideration to the needs of urban and rural areas having substantial numbers of youths who have dropped out of school or are unemployed and shall seek to attain an equitable geographical distribution of such schools.

(b) Annual grants with respect to the construction of any such residential school shall be made over a fixed period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount equal to the difference between (1) the average annual debt service required to be paid, during the life of the loan, on the amount borrowed for the construction of such facilities, and (2) the average annual debt service which the institution would be required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were 3 per centum per annum.

(c) The Commissioner shall not enter into a contract for grants under this section unless he determines that the amount borrowed does not exceed the total cost of construction of the facilities, and that such construction will be undertaken in an economical manner and will not be of elaborate or extravagant design or materials.

(d)(1) There are hereby authorized to be appropriated such sums as may be necessary for the payment of annual grants in accordance with this section.

(2) Contracts for annual grants under this section shall not be entered into for an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual grants which may be paid in any year pursuant to contracts entered into under this section shall not exceed $5,000,000, which amount shall be increased by $5,000,000 on July 1, 1970, and on July 1 of each of the four succeeding fiscal years.

(20 U.S.C. 1323) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1084; amended April 13, 1970, P.L. 91–230, Title VII, sec. 704(b), 84 Stat. 189; amended June 23, 1972, P.L. 92–318, sec. 264(c), 86 Stat. 326.

PART F—CONSUMER AND HOMEMAKING EDUCATION

AUTHORIZATION

SEC. 161. (a)(1) There are hereby authorized to be appropriated for the fiscal year ending June 30, 1970, $25,000,000, for the fiscal year ending June 30, 1971, $35,000,000 and for each of the succeeding fiscal years ending prior to July 1, 1975, $50,000,000, for the purposes of this part. From the sums appropriated pursuant to this paragraph for each fiscal year, the Commissioner shall allot to each State an amount which shall be computed in the same manner as allotments to States under section 103 except that, for the purposes of this section, there shall be no reservation of 10 per centum of such sums for research and training programs and 100 per centum of the amount appropriated pursuant to this section shall be allotted among the States.

(2) The amount of any State's allotment under paragraph (1) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the part of the State's plan approved under subsection (b) shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, and on the basis of such factors as he determines to be equitable and reasonable, to other States which, as determined by the Commissioner, are able to use without delay any amounts so reallotted for the purposes set forth in subsection (b). Any amounts reallotted to a State under this paragraph during such year shall be deemed part of its allotment for such year.

(b) For purposes of this part the State plan approved under section 123 shall set forth a program under which Federal funds paid to a State from its allotment under subsection (a) will be expended solely for (1) educational programs which (A) encourage home economics to give greater consideration to social and cultural conditions and needs, especially in economically depressed areas, (B) encourage preparation for professional leadership, (C) are designed to prepare youths and adults for the role of homemaker, or to contribute to the employability of such youths and adults in the dual role of homemaker and wage earner, (D) include consumer education programs including promotion of nutritional knowledge and food use and the understanding of the economic aspects of food use and purchase, and (E) are designed for persons who have entered, or are preparing to enter, the work of the home, and (2) ancillary services, activities and other means of assuring quality in all homemaking education programs, such as teacher training and supervision, curriculum development research, program evaluation, special demonstration and experimental programs, development of instructional materials, provision of equipment, and State administration and leadership.

(c) From a State's allotment under this section for the fiscal year ending June 30, 1970, and for each fiscal year thereafter, the Commissioner shall pay to such State an amount equal to 50 per centum of the amount expended for the purposes set forth in subsection (b), except that, for the fiscal year ending June 30, 1970, and the five succeeding fiscal years, the Commissioner shall pay an amount equal to 90 per centum of the amount used in areas described in subsection (d). No State shall receive payments under this section for any fiscal year in excess of its allotment under subsection (a) for such fiscal year.

(d) At least one-third of the Federal funds made available under this section shall be used in economically depressed areas or areas with high rates of unemployment for programs designed to assist consumers and to help improve home environments and the quality of family life.

(20 U.S.C. 1341) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1085; amended April 13, 1970, P.L. 91–230, Title VII, sec. 705, 84 Stat. 189; amended June 23, 1972, P.L. 92–318, sec. 205, 86 Stat. 326.

PART G—COOPERATIVE VOCATIONAL EDUCATION PROGRAMS

FINDINGS AND PURPOSE

SEC. 171. The Congress finds that cooperative work-study programs offer many advantages in preparing young people for employment. Through such programs, a meaningful work experience is combined with formal education enabling students to acquire knowledge, skills, and appropriate attitudes. Such programs remove the artificial barriers which separate work and education and, by involving educators with employers, create interaction whereby the needs and problems of both are made known. Such interaction makes it possible for occupational curricula to be revised to reflect current needs in various occupations. It is the purpose of this part to assist the State to expand cooperative work-study programs by providing financial assistance for personnel to coordinate such programs, and to provide instruction related to the work experience; to reimburse employers when necessary for certain added costs incurred in providing on-the-job training through work experience; and to pay costs for certain services, such as transportation of students or other unusual costs that the individual students may not reasonably be expected to assume while pursuing a cooperative work-study program.

(20 U.S.C. 1351) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1086.

AUTHORIZATIONS AND ALLOTMENTS

Sec. 172. (a) There is authorized to be appropriated for the fiscal year ending June 30, 1969, $20,000,000, for the fiscal year ending June 30, 1970, $35,000,000, for the fiscal year ending June 30, 1971, $50,000,000, and for each of the succeeding fiscal years ending prior to July 1, 1975, $75,000,000, for making grants to the States for programs of vocational education designed to prepare students for employment through cooperative work-study arrangements.

(b)(1) From the sums appropriated pursuant to this section for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 3 percentum thereof, as he may determine, and shall apportion such amount among Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this section. From the remainder of such sums the Commissioner shall allocate $200,000 to each State, and he shall in addition allocate to each State an amount which bears the same ratio to any residue of such remainder as the population aged fifteen to nineteen, both inclusive, in the State bears to the population of such ages in all States. For purposes of the preceding sentence, the term "State" does not include the areas referred to in the first sentence of this paragraph.

(2) The amount of any State's allotment under this section for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the part of the State's plan approved under section 173 shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, and on the basis of such factors as he determines to be equitable and reasonable, to other States which as determined by the Commissioner are able to use without delay any accounts so reallotted for the purposes set forth in section 173. Any amount reallotted to a State under this paragraph during such year shall be deemed part of its allotment for such year.

(3) The population of particular age groups of a State or of all the States shall be determined by the Commissioner on the basis of the latest available estimates furnished by the Department of Commerce.

(20 U.S.C. 1352) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1086; amended June 23, 1972, P.L. 92–318, sec. 206, 86 Stat. 326.

PLAN REQUIREMENT

Sec. 173. (a) A State, in order to participate in the program authorized by this part, shall submit, as part of its State plan, to the Commissioner, through its State board, a plan which shall set forth policies and procedures to be used by the State board in establishing cooperative work-study programs through local educational agencies with participation of public and private employers. Such policies and procedures must give assurance that—

(1) funds will be used only for developing and operating cooperative work-study programs as defined in section 175 which provide training opportunities that may not otherwise be available and which are designed to serve persons who can benefit from such programs;

(2) necessary procedures are established for cooperation with employment agencies, labor groups, employers, and other community agencies in identifying suitable jobs for persons who enroll in cooperative work-study programs;

(3) provision is made for reimbursement of added costs to employers for on-the-job training of students enrolled in cooperative programs, provided such on-the-job training is related to existing carrier opportunities susceptible of promotion and advancement and does not displace other workers who perform such work;

(4) ancillary services and activities to assure quality in cooperative work-study programs are provided for, such as preservice and inservice training for teacher coordinates, supervision, curriculum materials, and evaluation;

(5) priority for funding cooperative work-study programs through local educational agencies, is given to areas that have high rates of school dropouts and youth unemployment;

(6) to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served, whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students;

(7) Federal funds made available under this part will not be commingled with State or local funds; and

(8) such accounting, evaluation, and follow-up procedures as the Commissioner deems necessary will be provided.

(b) The Commissioner shall approve such part of its State plan which fulfills the conditions specified above, and the provisions of part B (relating to the disapproval of State plans) shall apply to this section.

(20 U.S.C. 1353) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1087.

USE OF FUNDS

Sec. 174. Funds allocated under this part for cooperative work-study programs shall be available for paying all or part of the State's expenditures under its State plan for this part for any fiscal year, but not in excess of its allotment under section 172.

(20 U.S.C. 1354) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1087.

DEFINITION

Sec. 175. For purposes of this part, the term "cooperative work-study program" means a program of vocational education for persons who, through a cooperative arrangement between the school and employers, receive instruction, including required academic courses and related vocational instruction by alternation of study in school with a job in any occupational field, but these two experiences must be planned and supervised by the school and employers so that each contributes to the student's education and to his employability. Work periods and school attendance may be on alternate half-days, full-days, weeks, or other periods of time in fulfilling the cooperative work-study program.

(20 U.S.C. 1355) Enacted Oct. 16, 1968, Title I, P.L. 90-576, sec. 101(b), 82 Stat. 1087.

PART H—WORK-STUDY PROGRAMS FOR VOCATIONAL EDUCATION STUDENTS

AUTHORIZATION OF APPROPRIATIONS AND ALLOTMENT

SEC. 181. (a) There are hereby authorized to be appropriated $35,000,000 for each of the fiscal years ending June 30, 1969 and June 30, 1970, $45,000,000 for the fiscal year ending June 30, 1972, and for each of the succeeding fiscal years ending prior to July 1, 1975, the purposes of this part.

(b)(1) From the sums appropriated pursuant to this section for each fiscal year, the Commissioner shall allot to each State an amount which bears the same ratio to such sums for such year as the population aged fifteen to twenty, inclusive, of the State, in the preceding fiscal year bears to the population aged fifteen to twenty, inclusive, of all the States in such preceding year.

(2) The amount of any State's allotment under paragraph (1) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the part of the State's plan approved pursuant to section 182 shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under paragraph (1) for such year, but with such proportionate amount for any such other States being reduced to the extent it exceeds the sum the Commissioner estimates such States needs and will be able to use for such year and the total of such reductions shall be similarly reallotted among the States not suffering such a reduction. Any amount reallotted to a State under this paragraph during such year shall be deemed part of its allotment for such year.

(20 U.S.C. 1371) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1088; amended April 13, 1970, P.L. 91-230, Title VII, sec. 706(a), 84 Stat. 189; amended June 23, 1972, P.L. 92-318, sec. 207, 86 Stat. 326.

PLAN REQUIREMENTS

SEC. 182. (a) To be eligible to participate in the program authorized by this part, a State shall submit as a part of its State plan through its State board to the Commissioner a plan, in such detail as the Commissioner determines necessary, which—

(1) designates the State board as the sole agency for administration of the plan, or for supervision of the administration thereof by local educational agencies;

(2) sets forth the policies and procedures to be followed by the State in approving work-study programs, under which poli-

cies and procedures funds paid to the State from its allotment under section 181 will be expended solely for the payment of compensation of students employed pursuant to work-study programs which meet the requirements of subsection (b), except that not to exceed 1 per centum of any such allotment, or $10,000, whichever is the greater, may be used to pay the cost of developing the plan required by this section and the cost of administering such plan after its approval under this section;

(3) sets forth principles for determining the priority to be accorded applications from local educational agencies for work-study programs, which principles shall give preference to applications submitted by local educational agencies serving communities having substantial numbers of youths who have dropped out of school or who are unemployed, and provides for undertaking such programs, insofar as financial resources available therefor make possible in the order determined by the application of such principles;

(4) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under this part; and

(5) provides for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his functions under this part, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) For the purposes of this section, a work-study program shall—

(1) be administered by the local educational agency and made reasonably available (to the extent of available funds) to all youths in the area served by such agency who are able to meet the requirements of paragraph (2);

(2) provide that employment under such work-study program shall be furnished only to a student who (A) has been accepted for enrollment as a full-time student in a vocational education program which meets the standards prescribed by the State board and the local educational agency for vocational education programs assisted under this title, or in the case of a student already enrolled in such a program, is in good standing and in full-time attendance, (B) is in need of the earnings from such employment to commence or continue his vocational education program, and (C) is at least fifteen years of age and less than twenty-one years of age at the commencement of his employment, and is capable, in the opinion of the appropriate school authorities, of maintaining good standing in his vocational education program while employed under the work-study program;

(3) provide that no student shall be employed under such work-study program for more than fifteen hours in any week in which classes in which he is enrolled are in session, or for compensation which exceeds $45 in any month or $350 in any academic year or its equivalent, unless the student is attending a school which is not within reasonable commuting distance from his

home, in which case his compensation may not exceed $60 in any month or $500 in any academic year or its equivalent;

(4) provide that employment under such work-study program shall be for the local educational agency or for some other public agency or institution; and

(5) provide that, in each fiscal year during which such program remains in effect, such agency shall expend (from sources other than payments from Federal funds under this section) for the employment of its students (whether or not in employment eligible for assistance under this section) an amount that is not less than its average annual expenditure for work-study programs of a similar character during the three fiscal years preceding the fiscal year in which its work-study program under this section is approved.

(c) The provisions of part B shall be applicable to the Commissioner's actions with respect to plans submitted under this section.

(20 U.S.C. 1372) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1088.

PAYMENTS

Sec. 183. (a) From a State's allotment under this section for the fiscal year ending June 30, 1969, and for any succeeding fiscal year, the Commissioner shall pay to such State an amount equal to 80 per centum of (1) the amount expended for compensation of students employed pursuant to work-study programs under the part of the State's plan approved under section 182, plus (2) an amount, not to exceed 1 per centum of such allotment, or $10,000, whichever is the greater, expended for the development of such plan and for the administration of such plan after its approval by the Commissioner. No State shall receive payments under this section for any fiscal year in excess of its allotment under section 181 for such fiscal year.

(b) Such payments (adjusted on account of overpayments or underpayments previously made) shall be made by the Commissioner in advance on the basis of such estimates, in such installments, and at such times, as may be reasonably required for expenditures by the States of the funds alloted under section 181.

(20 U.S.C. 1373) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1089; amended April 13, 1970, P.L. 91–230, Title VII, sec. 706(b), 84 Stat. 189.

STATUS OF PARTICIPANTS

Sec. 184. Students employed in work-study programs under this part shall not by reason of such employment be deemed employees of the United States, or their service Federal service, for any purpose.

(20 U.S.C. 1374) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1090.

Part I—Curriculum Development in Vocational and Technical Education

AUTHORIZATION

Sec. 189. (a) The Congress finds that curriculum development in vocational education is complicated by the diversity of occupational objectives; variations due to geography; differences in educational levels and types of programs; and by the wide range of occupations which includes, but is not limited to, agriculture, food processing and preparation, trades and industry, distribution and marketing, technical, public service, health services, business, and office occupations. It is therefore the purpose of this section to enable the Commissioner to provide appropriate assistance to State and local educational agencies in the development of curriculums for new and changing occupations, and to coordinate improvements in, and dissemination of, existing curriculum materials.

(b) There are authorized to be appropriated $7,000,000 for the fiscal year ending June 30, 1969, and $10,000,000 for each of the succeeding fiscal years ending prior to July 1, 1975, for the purposes set forth in this section.

(c)(1) Sums appropriated pursuant to subsection (b) shall be used by the Commissioner, after consultation with the appropriate State agencies and the National Council, to make grants to or contracts with colleges or universities, State boards, and other public or nonprofit private agencies and institutions, or contracts with public or private agencies, organizations, or institutions—

(A) to promote the development and dissemination of vocational education curriculum materials for use in teaching occupational subjects, including curriculums for new and changing occupational fields;

(B) to develop standards for curriculum development in all occupational fields;

(C) to coordinate efforts of the States in the preparation of curriculum materials and prepare current lists of curriculum materials available in all occupational fields;

(D) to survey curriculum materials produced by other agencies of Government, including the Department of Defense;

(E) to evaluate vocational-technical education curriculum materials and their uses; and

(F) to train personnel in curriculum development.

(2) For purposes of this subsection "curriculum materials" means materials consisting of a series of courses to cover instruction in any occupational field in vocational education which are designed to prepare persons for employment at the entry level or to upgrade occupational competencies of those previously or presently employed in any occupational field.

(20 U.S.C. 1391) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1090; amended April 13, 1970, P.L. 91-230, Title VII, sec. 707, 84 Stat. 189; amended June 23, 1972, P.L. 92-318, sec. 208, 86 Stat. 326, renumbered August 21, 1974, P.L. 93-380, sec. 841(a)(6), 88 Stat. 607.

Part J—Bilingual Vocational Training

STATEMENT OF FINDINGS

Sec. 191. The Congress hereby finds that one of the most acute problems in the United States is that which involves millions of citizens, both children and adults, whose efforts to profit from vocational training is severely restricted by their limited English-speaking ability because they come from environments where the dominant language is other than English; that such persons are therefore unable to help to fill the critical need for more and better trained personnel in vital occupational categories; and that such persons are unable to make their maximum contribution to the Nation's economy and must, in fact, suffer the hardships of unemployment or underemployment. The Congress further finds that there is a critical shortage of instructors possessing both the job knowledge and skills and the dual language capabilities required for adequate vocational instruction of such language-handicapped persons, and a corresponding shortage of instructional materials and of instructional methods and techniques suitable for such instruction.

(20 U.S.C. 1393) Enacted August 21, 1974, P.L. 93-380, sec. 841(a)(7), 88 Stat. 607, 608.

GENERAL RESPONSIBILITIES OF THE COMMISSIONER

SEC. 192. (a) The Commissioner and the Secretary of Labor together shall—

(1) develop and disseminate accurate information on the status of bilingual vocational training in all parts of the United States;

(2) evaluate the impact of such bilingual vocational training on the shortages of well-trained personnel, the unemployment or underemployment of persons with limited English-speaking ability, and the ability of such persons to contribute fully to the economy of the United States; and

(3) report their findings annually to the President and the Congress.

(b) The Commissioner shall consult with the Secretary of Labor with respect to the administration of this part. Regulations and guidelines promulgated by the Commissioner to carry out this part shall be consistent with those promulgated by the Secretary of Labor pursuant to section 301(b) of the Comprehensive Employment and Training Act of 1973 and shall be approved by the Secretary of Labor before issuance.

(20 U.S.C. 1393a) Enacted August 21, 1974, P.L. 93-380, sec. 841(a)(7), 86 Stat. 608.

AUTHORIZATION OF APPROPRIATIONS

SEC. 193. There are authorized to be appropriated $17,500,000 for the fiscal year ending June 30, 1975, to carry out the provisions of this part.

(20 U.S.C. 1393b) Enacted Aug. 21, 1974, P.L. 93-380, sec. 841(a)(7), 88 Stat. 608.

AUTHORIZATION OF GRANTS

SEC. 194. (a) From the sums made available for grants under this part pursuant to section 193, the Commissioner is authorized to make grants to and enter into contracts with appropriate State agencies, local educational agencies, postsecondary educational institutions, private nonprofit vocational training institutions, and to other nonprofit organizations especially created to serve a group whose language as normally used is other than English in supplying training in recognized occupations and new and emerging occupations, and to enter into contracts with private for-profit agencies and organizations, to assist them in conducting bilingual vocational training programs for persons of all ages in all communities of the United States which are designed to insure that vocational training programs are available to all individuals who desire and need such bilingual vocational training.

(b) The Secretary shall pay to each applicant which has an application approved under this part an amount equal to the total sums expended by the applicant for the purposes set forth in that application.

(20 U.S.C. 1393c) Enacted Aug. 21, 1974, P.L. 93-380, sec. 841(a)(7), 88 Stat. 608.

USE OF FEDERAL FUNDS

SEC. 195. Grants and contracts under this part may be used, in accordance with applications approved under section 197, for—

(1) bilingual vocational training programs for persons who have completed or left elementary or secondary school and who are available for training by a postsecondary educational institution;

(2) bilingual vocational training programs for persons who have already entered the labor market and who desire or need training or retraining to achieve year-round employment, adjust to changing manpower needs, expand their range of skills, or advance in employment; and

(3) training allowances for participants in bilingual vocational training programs subject to the same conditions and limitations as are set forth in section 111 of the Comprehensive Employment and Training Act of 1973.

(20 U.S.C. 1393d) Enacted Aug. 21, 1974, P.L. 93-380, sec. 841(a)(7), 88 Stat. 608, 609.

APPLICATIONS

SEC. 196. (a) A grant or contract for assistance under this part may be made only upon application to the Commissioner at such time, in such manner, and containing or accompanied by such information as the Commissioner deems necessary. Each such application shall—

(1) provide that the activities and services for which assistance under this part is sought will be administered by or under the supervision of the applicant;

(2) set forth a program for carrying out the purposes described in section 195; and

(3) set forth a program of such size, scope, and design as will make a substantial contribution toward carrying out the purposes of this part.

(b) No grant or contract may be made under this part directly to a local educational agency or a postsecondary educational institution or a private vocational training institution or any other eligible agency or organization unless that agency, institution, or organization has submitted the application to the State board established under Part B of this title, or in the case of a State that does not have such a board, the similar State agency, for comment and includes the comment of that board or agency with the application.

(20 U.S.C. 1393e) Enacted August 21, 1974, P.L. 93-380, sec. 841(a)(7), 88 Stat. 609.

APPLICATION APPROVAL BY THE COMMISSIONER

Sec. 197. (a) The Commissioner may approve an application for assistance under this part only if—

(1) the application meets the requirements set forth in subsection (a) of the previous section;

(2) in the case of an application submitted for assistance under this part to an agency, institution, or organization other than the State board established under part B of this title, the requirement of subsection (b) of the previous section is met; and

(3) in the case of an application submitted for assistance under this part, the Commissioner determines that the program is consistent with criteria established by him, where feasible, after consultation with the State board established under part B of this title, for achieving equitable distribution of assistance under this part within that State.

(b) An amendment to an application shall, except as the Secretary may otherwise provide, be subject to approval in the same manner as the original application.

(20 U.S.C. 1393f) Enacted August 21, 1974, P.L. 93–380, sec. 841(a)(7), 88 Stat. 609.

VOCATIONAL EDUCATION AMENDMENTS OF 1968

(P.L. 90–576)

AN ACT To amend the Vocational Education Act of 1963, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Vocational Education Amendments of 1968".

TITLE I—AMENDMENTS TO THE VOCATIONAL EDUCATION ACT OF 1963

* * * * * * *

EFFECTIVE DATE

Sec. 102. (a) Except as provided in subsection (b), the amendments made by section 101 shall become effective upon enactment.

(b) The amendments made by this Act to the Vocational Education Act of 1963 shall not, during the fiscal year ending June 30, 1969, apply with respect to programs which are continuations of programs (including programs under part H) carried on under any State's plan during the preceding fiscal year.

Enacted Oct. 16, 1968, P.L. 90–576, title I, sec. 102, 82 Stat. 1091.

* * * * * * *

USE OF FUNDS AVAILABLE UNDER THE SMITH-HUGHES ACT

SEC. 104. Funds appropriated by the first section of the Smith-Hughes Act (that is the Act approved February 23, 1917, 39 Stat. 929, as amended (20 U.S.C. 11–15, 16–28)), shall be considered as funds appropriated pursuant to section 102(a) of this Act.

Enacted Oct. 16, 1968, P.L. 90–576, title I, sec. 102, 82 Stat. 1091.

* * * * * * *

VOCATIONAL EDUCATION ACT OF 1917 (SMITH-HUGHES ACT)[1]

AN ACT To provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby annually appropriated, out of any money in the Treasury not otherwise appropriated, the sums provided in sections two, three, and four of this Act, to be paid to the respective States for the purpose of cooperating with the States in paying the salaries of teachers, supervisors, and directors of agricultural subjects, and teachers of trade, home economics, and industrial subjects, and in the preparation of teachers of agricultural, trade, industrial, and home economics subjects; and the sum provided for in section seven for the use of the Federal Board for Vocational Education[2] for the administration of this Act and for the purpose of making studies, investigations, and reports to aid in the organization and conduct of vocational education, which sums shall be expended as hereinafter provided.

(20 U.S.C. 11) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong. sec. 1, 39 Stat. 929.

SEC. 2. That for the purpose of cooperating with the States in paying the salaries of teachers, supervisors, or directors of agricultural subjects there is hereby appropriated for the use of the States, subject to the provisions of this Act, for the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $500,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $750,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $1,000,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-one, the sum of $1,250,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-two, the sum of $1,500,000; for fiscal year ending June thirtieth, nineteen hundred and twenty-three, the sum of $1,750,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-four, the sum of $2,000,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-five, the sum of $2,500,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-six, and annually thereafter, the sum of $3,000,000. Said sums shall be allotted to the States in the proportion which their rural population bears to the total rural population in the United States, not including outlying possessions, according to the last preceding United States census: *Provided*, That the allotment of funds to any State shall be not less than a minimum of $5,000 for any fiscal year prior to and including the fiscal year ending June thirtieth, nineteen hundred and twenty-three, nor less than $10,000 for any fiscal year thereafter, and there is hereby appropriated the following sums, or so much thereof as may be necessary, which shall be used for the purpose of providing the minimum allotment to the States provided for in this section: For the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $48,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $34,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $24,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-one, the sum of $18,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-two, the sum of $14,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-three, the sum of $11,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-four, the sum of $9,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-five, the sum of $34,000; and annually thereafter the sum of $28,500.

---

[1] The Vocational Education Amendments of 1968 (P.L. 90–576) sec. 104 provide that funds for this act shall be transferred automatically to the Vocational Education Amendments of 1968.

[2] The operational functions of the Federal Board for Vocational Education, to which reference is made throughout this Act, were transferred to the Office of Education in the Department of Interior on June 10, 1933 (Ex. Ord. No. 6166, sec. 15), which in turn was transferred to the Federal Security Agency on July 1, 1939 (1939 Reorg. Plan No. 1, secs. 201, 204, 4 F.R. 2728, 53 Stat. 1421) and the Department of Health, Education, and Welfare on April 11, 1953 (1953 Reorg. Plan No. 1, secs. 5, 8, 18 F.R. 2053, 67 Stat. 631). The Federal Board for Vocational Education, which became an advisory body after June 10, 1933, was abolished on July 16, 1946 (1946 Reorg. Plan No. 2, sec. 8, 11 F.R. 7875, 60 Stat. 1196.)

(20 U.S.C. 12) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 2, 39 Stat. 930; amended July 12, 1960, P.L. 86-624, sec. 14(b)(2), 74 Stat. 414.

SEC. 3. That for the purpose of cooperating with the States in paying the salaries of teachers of trade, home economics, and industrial subjects there is hereby appropriated for the use of the States, for the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $500,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $750,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $1,000,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-one, the sum of $1,250,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-two, the sum of $1,500,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-three, the sum of $1,750,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-four, the sum of $2,000,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-five, the sum of $2,500,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-six, the sum of $3,000,000; and annually thereafter the sum of $3,000,000. Said sums shall be allotted to the States in the proportion which their urban population bears to the total urban population in the United States, not including outlying possessions, according to the last preceding United States census: *Provided*, That the allotment of funds to any State shall be not less than a minimum of $5,000 for any fiscal year prior to and including the fiscal year ending June thirtieth, nineteen hundred and twenty-three, nor less than $10,000 for any fiscal year thereafter, and there is hereby appropriated the following sums, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotment to the States provided for in this section: For the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $66,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $46,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $34,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-one, the sum of $28,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-two, the sum of $25,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-three, the sum of $22,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-four, the sum of $19,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-five, the sum of $56,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-six, and annually thereafter, the sum of $50,000.

That not more than twenty per centum of the money appropriated under this Act for the payment of salaries of teachers of trade, home economics, and industrial subjects, for any year, shall be expended for the salaries of teachers of home economics subjects.

(20 U.S.C. 13) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 3, 39 Stat. 930.

Sec. 4. That for the purpose of cooperating with the States in preparing teachers, supervisors, and directors of agricultural subjects and teachers of trade and industrial and home economics subjects there is hereby appropriated for the use of the States for the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $500,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $700,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $900,000; for the fiscal year ending June thirteenth, nineteen hundred and twenty-one, and annually thereafter the sum of $1,000,000. Said sums shall be allotted to the States in the proportion which their population bears to the total population of the United States, not including outlying possessions, according to the last preceding United States census: *Provided*, That the allotment of funds to any State shall be not less than a minimum of $5,000 for any fiscal year prior to and including the fiscal year ending June thirtieth, nineteen hundred and nineteen, nor less than $10,000 for any fiscal year thereafter. And there is hereby appropriated the following sums, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotment provided for in this section: For the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $46,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $32,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $24,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-one, and annually thereafter, the sum of $105,200.

(20 U.S.C. 14) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 4, 39 Stat. 931; amended June 25, 1959, P.L. 86–70, sec. 18(b)(1), 73 Stat. 144; amended July 12, 1960, P.L. 86–624, sec. 14(b)(2), 74 Stat. 414.

Sec. 5. That in order to secure the benefits of the appropriations provided for in sections two, three, and four of this Act, any State shall, through the legislative authority thereof, accept the provisions of this Act and designate or create a State board. consisting of not less than three members, and having all necessary power to cooperate, as herein provided, with the Federal Board for Vocational Education in the administration of the provisions of this Act. The State board of education, or other board having charge of the administration of public education in the State, or any State board having charge of the administration of any kind of vocational education in the State may, if the State so elect, be designated as the State board, for the purposes of this Act.

In any State the legislature of which does not meet in nineteen hundred and seventeen, if the Governor of that State, so far as he is authorized to do so, shall accept the provisions of this Act and designate or create a State board of not less than three members to act in cooperation with the Federal Board for Vocational Education, the Federal board shall recognize such local board for the purposes of this Act until the legislature of such State meets in due course and has been in session sixty days.

Any State may accept the benefits of any one or more of the respective funds herein appropriated, and it may defer the acceptance of the benefits of any one or more of such funds, and shall be required to meet only the conditions relative to the fund or funds the benefits of which it has accepted: *Provided*, That after June thirtieth, nineteen hundred and twenty, no State shall receive any appropriation for salaries of teachers, supervisors, or directors of agricultural subjects, until it shall have taken advantage of at least the minimum amount appropriated for the training of teachers, supervisors, or directors of agricultural subjects, as provided for in this Act, and that after said date no State shall receive any appropriation for the salaries of teachers of trade, home economics, and industrial subjects until it shall have taken advantage of at least the minimum amount appropriated for the training of teachers of trade, home economics, and industrial subjects, as provided for in this Act.

(20 U.S.C. 16) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 5, 39 Stat. 931.

Sec. 6. Repealed Sept. 6, 1966, P.L. 89–554, sec. 8(a), 80 Stat. 643.

Sec. 7. That there is hereby appropriated to the Federal Board for Vocational Education the sum of $200,000 annually, to be available from and after the passage of this Act, for the purpose of making or cooperating in making the studies, investigations, and reports provided for in section six of this Act, and for the purpose of paying the salaries of the officers, the assistants, and such office and other expenses as the board may deem necessary to the execution and administration of this Act.[1]

(20 U.S.C. 15) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 7, 39 Stat 933; amended Oct 6, 1917, C. 79, P.L. 64, 65th Cong., sec. 1, 40 Stat. 345; amended June 26, 1934, C. 756, P.L. 473, 73rd Cong., sec. 2, 49 Stat. 1226.

---

[1] Effective July 1, 1935, the permanent appropriation for salaries and expenses provided for in this section was repealed by the act of June 26, 1934 (P.L. 473, 73d Cong.), such act authorizing in lieu thereof annual appropriations from the general fund of the Treasury in identical terms and in such amounts as provided by the laws making such permanent appropriations.

Sec. 8. That in order to secure the benefits of the appropriation for any purpose specified in this Act the State board shall prepare plans showing the kinds of vocational education for which it is proposed that the appropriation shall be used; the kinds of schools and equipment; courses of study; methods of instruction; qualifications of teachers; and, in the case of agricultural subjects, the qualifications of supervisors or directors; plans for the training of teachers; and, in the case of agricultural subjects, plans for the supervision of agricultural education, as provided for in section ten. Such plans shall be submitted by the State board to the Federal Board for Vocational Education, and if the Federal board finds the same to be in conformity with the provisions and purposes of this Act, the same shall be approved. The State board shall make an annual report to the Federal Board for Vocational Education, on or before September first of each year, on the work done in the State and the receipts and expenditures of money under the provisions of this Act.

(20 U.S.C. 18) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 8, 39 Stat. 933.

Sec. 9. That the appropriation for the salaries of teachers, supervisors, or directors of agricultural subjects and of teachers of trade, home economics, and industrial subjects shall be devoted exclusively to the payment of salaries of such teachers, supervisors, or directors having the minimum qualifications set up for the State by the State board, with the approval of the Federal Board of Vocational Education. The cost of instruction supplementary to the instruction in agricultural and in trade, home economics, and industrial subjects provided for in this Act, necessary to build a well-rounded course of training, shall be borne by the State and local communities, and no part of the cost thereof shall be borne out of the appropriations herein made. The moneys expended under the provisions of this Act, in cooperation with the States, for the salaries of teachers, supervisors, or directors of agricultural subjects, or for the salaries of teachers of trade, home economics, and industrial subjects, shall be conditioned that for each dollar of Federal money expended for such salaries the State or local community, or both, shall expend an equal amount of such salaries; and that appropriations for the training of teachers of vocational subjects, as herein provided, shall be conditioned that such money be expended for maintenance of such training and that for each dollar of Federal money so expended for maintenance, the State or local community, or both, shall expend an equal amount for the maintenance of such training.

(20 U.S.C. 19) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 9, 39 Stat. 933.

Sec. 10. That any State may use the appropriation for agricultural purposes, or any part thereof allotted to it, under the provisions of this Act, for the salaries of teachers, supervisors, or directors of agricultural subjects, either for the salaries of teachers of such subjects in schools or classes or for the salaries of supervisors or directors of such subjects under a plan of supervision for the State to be set up by the State board, with the approval of the Federal Board for Vocational Education. That in order to receive the benefits of such appropriation for the salaries of teachers, supervisors, or directors of agricultural subjects the State board of any State shall provide in its plan for agricultural education that such education shall be that which is under public supervision or control; that the controlling purposes of such education shall be to fit for useful employment; that such education shall be of less than college grade and be designed to meet the needs of persons over fourteen years of age who have entered upon or who are preparing to enter upon the work of the farm or of the farm home;[1] that the State or local community, or both, shall provide the necessary plant and equipment determined upon by the State board, with the approval of the Federal Board for Vocational Education, as the minimum requirement for such education in schools and classes in the State; that the amount expended for the maintenance of such education in any school or class receiving the benefit of such appropriation shall be not less annually than the amount fixed by the State board, with the approval of the Federal board as the minimum for such schools or classes in the State; that such schools shall provide for directed or supervised practice in agriculture, either on a farm provided for by the school or other farm, for at least six months per year;[2] that the teachers, supervisors, or directors of agricultural subjects shall have at least the minimum qualifications determined for the State by the State board, with the approval of the Federal Board for Vocational Education.

(20 U.S.C. 20) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 10, 39 Stat. 394.

SEC. 11. That in order to receive the benefits of the appropriation for the salaries of teachers of trade, home economics, and industrial subjects the State board of any State shall provide in its plan for trade, home economics, and industrial education that such education shall be given in schools or classes under public supervision or control; that the controlling purpose of such education shall be to fit for useful employment, that such education shall be of less than college grade and shall be designed to meet the needs of persons over fourteen years of age who are preparing for a trade or industrial pursuit or who have entered upon the work of a trade or industrial pursuit; that the State or local community, or both, shall provide the necessary plant and equipment determined upon by the State board, with the approval of the Federal Board for Vocational Education, as the minimum requirement in such State for education for any given trade or industrial pursuit; that the total amount expended for the maintenance of such education in any school or class receiving the benefit of such appropriation shall be not less annually than the amount fixed by the State board, with the approval of the Federal board, as the minimum for such schools or classes in the State; that such schools or classes giving instruction to persons who have not entered upon employment shall require that at least half of the time of such instruction be given to practical work on a useful or productive basis, such instruction to extend over not less than nine months per year and not less than thirty hours per week; that at least one-third of the sum appropriated to any State for the salaries of teachers of trade, home economics, and industrial subjects shall, if expended, be applied to part-time schools or classes for workers over fourteen years of age who have entered upon employment,[1] and subjects in a part-time school or class may mean any subject given to enlarge the civic or vocational intelligence of such workers over fourteen and less than eighteen years of age; that such part-time schools or classes shall provide for not less than one hundred and forty-four hours of classroom instruction per year; that evening industrial schools shall fix the age of sixteen years as a minimum entrance requirement and shall confine instruction to that which is supplemental to the daily employment; that the teachers of any trade or industrial subject in any State shall have at least the minimum qualifications for teachers of such subject determined upon for such State by the State board, with the approval of the Federal Board for Vocational Education: *Provided*, That for cities and towns of less than twenty-five thousand population, according to the last preceding United States census, the State board, with the approval of the Federal Board for Vocational Education, may modify the conditions as to the length of course and hours of instruction per week for schools and classes giving instruction to those who have not entered upon employment, in order to meet the particular needs of such cities and towns.

---

[1] Sec. 10(b) of the Vocational Education Act of 1963 (P.L. 88–210) modified this requirement.

[2] Sec. 10(c) of the Vocational Education Act of 1963 (P.L. 88–210) modified this requirement.

(20 U.S.C. 21) C. 114, Enacted Feb. 23, 1917, P.L. 347, 64th Cong., sec. 11, 39 Stat. 934.

Sec. 12. That in order for any State to receive the benefits of the appropriation in this Act for the training of teachers, supervisors, or directors of agricultural subjects, or of teachers of trade, industrial, or home economics subjects, the State board of such State shall provide in its plan for such training that the same shall be carried out under the supervision of the State board; that such training shall be given in schools or classes under public supervision or control; that such training shall be given only to persons who have had adequate vocational experience or contact in the line of work for which they are preparing themselves as teachers, supervisors, or directors, or who are acquiring such experience or contact as a part of their training; and that the State board, with the approval of the Federal Board, shall establish minimum requirements for such experience or contact for teachers, supervisors, or directors of agricultural subjects and for teachers of trade, industrial, and home economics subjects, that not more than sixty per centum nor less than twenty per centum of the money appropriated under this Act for the training of teachers of vocational subjects to any State for any year shall be expended for any one of the following purposes: For the preparation of teachers, supervisors, or directors of agricultural subjects, or the preparation of teachers of trade and industrial subjects, or the preparation of teachers of home economics subjects.

(20 U.S.C. 22) Enacted Feb. 23, 1917, C. 114 P.L. 347, 64th Cong., sec. 12, 39 Stat. 935.

---

[1] Sec. 10(d) of the Vocational Education Act of 1963 (P.L. 88-120) modified this requirement.

SEC. 13. That in order to secure the benefits of the appropriations for the salaries of teachers, supervisors, or directors of agricultural subjects, or for the salaries of teachers of trade, home economics, and industrial subjects, or for the training of teachers as herein provided, any State shall, through the legislative authority thereof, appoint as custodian for said appropriations its State treasurer, who shall receive and provide for the proper custody and disbursement of all money paid to the State from such appropriations.

(20 U.S.C. 23) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 13, 39 Stat. 935.

SEC. 14. That the Federal Board for Vocational Education shall annually ascertain whether the several States are using, or are prepared to use, the money received by them in accordance with the provisions of this Act. On or before the first day of January of each year the Federal Board for Vocational Education shall certify to the Secretary of the Treasury each State which has accepted the provisions of this Act and complied therewith, certifying the amounts which each State is entitled to receive under the provisions of this Act. Upon such certification the Secretary of the Treasury shall pay quarterly to the custodian for vocational education of each State the moneys to which it is entitled under the provisions of this Act. The moneys so received by the custodian for vocational education for any State shall be paid out on the requisition of the State board as reimbursement for expenditures already incurred to such schools as are approved by said State board and are entitled to receive such moneys under the provisions of this Act.

(20 U.S.C. 24) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 14, 39 Stat. 935.

SEC. 15. That whenever any portion of the fund annually allotted to any State has not been expended for the purpose provided for in this Act, a sum equal to such portions shall be deducted by the Federal board from the next succeeding annual allotment from such fund to such State.

(20 U.S.C. 25) Enacted Feb. 23, 1917, C. 114 P.L. 347, 64th Cong., sec. 15, 39 Stat. 936.

SEC. 16. That the Federal Board for Vocational Education may withhold the allotment of moneys to any State whenever it shall be determined that such moneys are not being expended for the purposes and under the conditions of this Act.

If any allotment is withheld from any State, the State board of such State may appeal to the Congress of the United States, and if the Congress shall not direct such sum to be paid it shall be covered into the Treasury.

(20 U.S.C. 26) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 16, 39 Stat. 936.

SEC. 17. That if any portion of the moneys received by the custodian for vocational education of any State under this Act, for any given purpose named in this Act, shall, by any action or contingency, be diminished or lost, it shall be replaced by such State, and until so replaced no subsequent appropriation for such education shall be paid to such State. No portion of any moneys appropriated under this Act for the benefit of the States shall be applied, directly or indirectly, to the purchase, erection, preservation, or repair of any building or buildings or equipment, or for the purchase or rental of lands, or for the support of any religious or privately owned or conducted school or college.

(20 U.S.C. 27) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., Sec. 17, 39 Stat. 936.

Sec. 18. That the Federal Board for Vocational Education shall make an annual report to Congress, on or before December first, on the administration of this Act and shall include in such report the reports made by the State boards on the administration of this Act by each State and the expenditures of the money allotted to each State.

(20 U.S.C. 28) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 18, 39 Stat. 936.

PART VII—PUBLIC LIBRARY PROGRAMS

The Library Services and Construction Act[1]

(P.L. 597, 84th Congress)

AN ACT To promote the further development of public library services

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Library Services and Construction Act."

DECLARATION OF POLICY

SEC. 2. (a) It is the purpose of this Act to assist the States in the extension and improvement of public library services in areas of the States which are without such services or in which such services are inadequate, and with public library construction, and in the improvement of such other State library services as library services for physically handicapped, institutionalized, and disadvantaged persons, in strengthening State library administrative agencies, and in promoting interlibrary cooperation among all types of libraries.

(b) Nothing in this Act shall be construed to interfere with State and local initiative and responsibility in the conduct of library services. The administration of libraries, the selection of personnel and library books and materials, and, insofar as consistent with the purposes of this Act, the determination of the best uses of the funds provided under this Act shall be reserved to the States and their local subdivisions.

(20 U.S.C. 351) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1660.

DEFINITIONS

SEC. 3. The following definitions shall apply to this Act:

(1) "Commissioner" means the Commissioner of Education.

(2) "Construction" includes construction of new buildings and acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings, or any combination of such activities (including architects' fees and the cost of acquisition of land). For the purposes of this paragraph, the term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them; and such term in-

---

[1] Sec. 519 of P.L. 93–380 provides as follows:

"SEC. 519 (a) There is established, in the Office of Education, an Office of Libraries and Learning Resources (hereafter in this section referred to as the "Office"), through which the Commissioner shall administer all programs in the Office of Education related to assistance for, and encouragement of, libraries and information centers and education technology.

"(b) The Office shall be headed by a Director, to whom the Commissioner shall delegate his delegable functions with respect to the programs administered through the Office."

cludes all other items necessary for the functioning of a particular facility as a facility for the provision of library services.

(3) "Library service" means the performance of all activities of a library relating to the collection and organization of library materials and to making the materials and information of a library available to a clientele.

(4) "Library services for the physically handicapped" means the providing of library services, through public or other nonprofit libraries, agencies, or organizations, to physically handicapped persons (including the blind and other visually handicapped) certified by competent authority as unable to read or to use conventional printed materials as a result of physical limitations.

(5) "Public library" means a library that serves free of charge all residents of a community, district, or region, and receives its financial support in whole or in part from public funds. Such term also includes a research library, which, for the purposes of this sentence, means a library which—

(A) makes its services available to the public free of charge;

(B) has extensive collections of books, manuscripts, and other materials suitable for scholarly research which are not available to the public through public libraries;

(C) engages in the dissemination of humanistic knowledge through services to readers, fellowships, educational and cultural programs, publication of significant research, and other activities; and

(D) is not an integral part of an institution of higher education.

(6) "Public library services" means library services furnished by a public library free of charge.

(7) "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

(8) "State Advisory Council on Libraries" means an advisory council for the purposes of clause (3) of section 6(a) of this Act which shall—

(A) be broadly representative of the public, school, academic, special, and institutional libraries, and libraries serving the handicapped, in the State and of persons using such libraries, including disadvantaged persons within the State;

(B) advise the State library administrative agency on the development of, and policy matters arising in the administration of, State plan; and

(C) assist the State library administrative agency in the evaluation of activities assisted under this Act;

(9) "State institutional library services" means the providing of books and other library materials, and of library services, to (A) inmates, patients, or residents of penal institutions, reformatories, residential training schools, orphanages, or general or special institutions or hospitals operated or substantially supported by the State, or (B) students in residential schools for the physically handicapped (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired persons who by reason thereof require special education) operated or substantially supported by the State.

(10) "State library administrative agency" means the official agency of a State charged by law of that State with the extension and development of public library services throughout the State, which has adequate authority under law of the State to administer State plans in accordance with the provisions of this Act.

(11) "Basic State plan" means the document which gives assurances that the officially designated State library administrative agency has the fiscal and legal authority and capability to administer all aspects of this Act; provides assurances for establishing the State's policies, priorities, criteria, and procedures necessary to the implementation of all programs under provisions of this Act; and submits copies for approval as required by regulations promulgated by the Commissioner.

(12) "Long-range program" means the comprehensive five-year program which identifies a State's library needs and sets forth the activities to be taken toward meeting the identified needs supported with the assistance of Federal funds made available under this Act. Such long-range programs shall be developed by the State library administrative agency and shall specify the State's policies, criteria, priorities, and procedures consistent with the Act as required by the regulations promulgated by the Commissioner and shall be updated as library progress requires.

(13) "Annual program" means the projects which are developed and submitted to describe the specific activities to be carried out annually toward achieving fulfillment of the long-range program. These annual programs shall be submitted in such detail as required by regulations promulgated by the Commissioner.

(20 U.S.C. 351a) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1660; amended October 19, 1973, P.L. 93–133, sec. 4(a), 87 Stat. 466.

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 4. (a) For the purpose of carrying out the provisions of this Act the following sums are authorized to be appropriated:

(1) For the purpose of making grants to States for library services as provided in title I, there are authorized to be appropriated $112,000,000 for the fiscal year ending June 30, 1972, $117,600,000 for the fiscal year ending June 30, 1973, $123,500,000 for the fiscal year ending June 30, 1974, $129,675,000 for the fiscal year ending June 30, 1975, and $137,150,000 for the fiscal year ending June 30, 1976.

(2) For the purpose of making grants to States for public library construction, as provided in title II, there are authorized to be appropriated $80,000,000 for the fiscal year ending June 30, 1972, $84,000,000 for the fiscal year ending June 30, 1973, $88,000,000 for the fiscal year ending June 3, 1974, $92,500,000 for the fiscal year ending June 30, 1975, and $97,000,000 for the fiscal year ending June 30, 1976.

(3) For the purpose of making grants to States to enable them to carry out interlibrary cooperation programs authorized by title III, there are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1972, $15,750,000 for the fiscal year ending June 30, 1973, $16,500,000 for the fiscal year ending

June 30, 1974, $17,300,000 for the fiscal year ending June 30, 1975, and $18,200,000 for the fiscal year ending June 30, 1976.

(4) For the purpose of making grants to States to enable them to carry out public library service programs for older persons authorized by title IV, there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, the fiscal year ending June 30, 1974, the fiscal year ending June 30, 1975, and the fiscal year ending June 30, 1976.

(b) Notwithstanding any other provision of law, unless enacted in express limitation of the provisions of this subsection, any sums appropriated pursuant to subsection (a) shall (1), in the case of sums appropriated pursuant to paragraphs (1) and (3) thereof, be available for obligation and expenditure for the period of time specified in the Act making such appropriation, and (2), in the case of sums appropriated pursuant to paragraph (2) thereof, subject to regulations of the Commissioner promulgated in carrying out the provisions of section 5(b), be available for obligation and expenditure for the year specified in the Appropriation Act and for the next succeeding year.

(20 U.S.C. 315b) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1662; amended May 3, 1973, P.L. 93-29, sec. 801, 87 Stat. 59.

ALLOTMENTS TO STATES

SEC. 5. (a)(1) From the sums appropriated pursuant to paragraph (1), (2), (3), or (4) of section 4(a) for any fiscal year, the Commissioner shall allot the minimum allotment, as determined under paragraph (3) of this subsection, to each State. Any sums remaining after minimum allotments have been made shall be allotted in the manner set forth in paragraph (2) of this subsection.

(2) From the remainder of any sums appropriated pursuant to paragraph (1), (2), (3), or (4) of section 4(a) for any fiscal year, the Commissioner shall allot to each State such part of such remainder as the population of the State bears to the population of all the States.

(3) For the purposes of this subsection, the "minimum allotment" shall be—

(A) with respect to appropriations for the purposes of title I, $200,000 for each State, except that it shall be $40,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(B) with respect to appropriations for the purposes of title II, $100,000 for each State, except that it shall be $20,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(C) with respect to appropriations for the purposes of title III, $40,000 for each State, except that it shall be $10,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; and

(D) with respect to appropriations for the purposes of title IV, $40,000 for each State, except that it shall be $1[illegible]0 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

If the sums appropriated pursuant to paragraph (1), (2), (3), or (4) of section 4(a) for any fiscal year are insufficient to fully satisfy the aggregate of the minimum allotments for that purpose, each of such minimum allotments shall be reduced ratably.

(4) The population of each State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(5) There is hereby authorized for the purpose of evaluation (directly or by grants or contracts) of programs authorized by this Act, such sums as Congress may deem necessary for any fiscal year.

(b) The amount of any State's allotment under subsection (a) for any fiscal year from any appropriation made pursuant to paragraph (1), (2), or (3) of section 4(a) which the Commissioner deems will not be required for the period and the purpose for which such allotment is available for carrying out the State's annual program shall be available for reallotment from time to time on such dates during such year as the Commissioner shall fix. Such amount shall be available for reallotment to other States in proportion to the original allotments for such year to such States under subsection (a) but with such proportionate amount for any of such other State being reduced to the extent that it exceeds the amount which the Commissioner estimates the State needs and will be able to use for such period of time for which the original allotments were made and the total of such reductions shall be similarly reallotted among the States not suffering such a reduction. Any amount reallotted to a State under this subsection for any fiscal year shall be deemed to be a part of its allotment for such year pursuant to subsection (a).

(20 U.S.C. 351c) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1662; amended May 3, 1973, P.L. 93–29, sec. 801, 87 Stat. 59.

STATE PLANS AND PROGRAMS

SEC. 6. (a) Any State desiring to receive its allotment for any purpose under this Act for any fiscal year shall (1) have in effect for such fiscal year a basic State plan as defined in section 3(11) and meeting the requirements set forth in subsection (b), (2) submit an annual program as defined in section 3(13) for the purposes for which allotments are desired, meeting the appropriate requirements set forth in titles I, II, III, and IV and shall submit (no later than July 1, 1972) a long-range program as defined in section 3(12) for carrying out the purposes of this Act as specified in subsection (d), and (3) establish a State Advisory Council on Libraries which meets the requirements of section 3(8).

(b) A basic State plan under this Act shall—

(1) provide for the administration, or supervision of the administration, of the programs authorized by this Act by the State library administrative agency;

(2) provide that any funds paid to the State in accordance with with a long-range program and an annual program shall be expended solely for the purposes for which funds have been authorized and appropriated and that such fiscal control and fund accounting procedures have been adopted as may be necessary to assure proper disbursement of, and account for, Federal funds paid to the State (including any such funds paid by the State to any other agency) under this Act;

(3) provide satisfactory assurance that the State agency administering the plan (A) will make such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this Act and to determine the extent to which funds provided under this Act have been effective in carrying out its purposes, including reports of evaluations made under the State plans, and (B) will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports; and

(4) set forth the criteria to be used in determining the adequacy of public library services in geographical areas and for groups of persons in the State, including criteria designed to assure that priority will be given to programs or projects which serve urban and rural areas with high concentrations of low-income families and to programs and projects which serve areas with high concentrations of persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965, as amended).

(c)(1) The Commissioner shall not approve any basic State plan pursuant to this Act for any fiscal year unless—

(A) the plan fulfills the conditions specified in section 3(11) and subsection (b) of this section and the appropriate titles of this Act;

(B) he has made specific findings as to the compliance of such plan with requirements of this Act and he is satisfied that adequate procedures are subscribed to therein insure that any assurances and provisions of such plan will be carried out.

(2) The State plan shall be made public as finally approved.

(3) The Commissioner shall not finally disapprove any basic State plan submitted pursuant to subsection (a)(1), or any modification thereof, without first affording the State reasonable notice and opportunity for hearing.

(d) The long-range program of any State for carrying out the purposes of this Act shall be developed in consultation with the Commissioner and shall—

(1) set forth a program under which the funds received by the State under the programs authorized by this Act will be used to carry out a long-range program of library services and construction covering a period of not less than three nor more than five years;

(2) be annually reviewed and revised in accordance with changing needs for assistance under this Act and the results of the evaluation and surveys of the State library administrative agency;

(3) set forth policies and procedures (A) for the periodic evaluation of the effectiveness of programs and projects supported under this Act, and (B) for appropriate dissemination of the results of such evaluations and other information pertaining to such programs or projects; and

(4) set forth effective policies and procedures for the coordination of programs and projects supported under this Act with library programs and projects operated by institutions of higher

education or local elementary or secondary schools and with other public or private library services programs.

Such program shall be developed with advice of the State Advisory council and in consultation with the Commissioner and shall be made public as it is finally adopted.

(e) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency administering a program submitted under this Act, finds—

(1) that the program has been so changed that it no longer complies with the provisions of this Act, or

(2) that in the administration of the program there is a failure to comply substantially with any such provisions or with any assurance or other provision contained in the basic State plan,

then, until he is satisfied that there is no longer any such failure to comply, after appropriate notice to such State agency, he shall make no further payments to the State under this Act or shall limit payments to programs or projects under, or parts of, the programs not affected by the failure, or shall require that payments by such State agency under this Act shall be limited to local or other public library agencies not affected by the failure.

(f)(1) If any State is dissatisfied with the Commissioner's final action with respect to the approval of a plan submitted under this Act or with his final action under subsection (e) such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon take new or modified findings of fact and may modify his previous action, and shall certify to the court the record of further proceedings.

(3) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 351d) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1663;- amended Aug. 21, 1974, P.L. 93-380, sec. 841(b), 88 Stat. 609, 610.

PAYMENTS TO STATES

SEC. 7. (a) From the allotments available therefor under section 5 from appropriations pursuant to paragraph (1), (2), (3), or (4) of section 4(a), the Commissioner shall pay to each State which has a basic State plan approved under section 6(a)(1), an annual program and a long-range program as defined in sections 3 (12) and (13) an amount equal to the Federal share of the total sums expended by the

State and its political subdivisions in carrying out such plan, except that no payments shall be made from appropriations pursuant to such paragraph (1) for the purposes of title I to any State (other than the Trust Territory of the Pacific Islands) for any fiscal year unless the Commissioner determines that—

(1) there will be available for expenditure under the programs from State and local sources during the fiscal year for which the allotment is made—

(A) sums sufficient to enable the State to receive for the purpose of carrying out the programs payments in an amount not less than the minimum allotment for that State for the purpose, and

(B) not less than the total amount actually expended, in the areas covered by the programs for such year, for the purposes of such programs from such sources in the second preceding fiscal year; and

(2) there will be available for expenditure for the purposes of the programs from State sources during the fiscal year for which the allotment is made not less than the total amount actually expended for such purposes from such sources in the second preceding fiscal year.

(b)(1) For the purpose of this section, the "Federal share" for any State shall be, except as is provided otherwise in title III and title IV, 100 per centum less the State percentage, and the State percentage shall be that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of all the States (excluding Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), except that (A) the Federal share shall in no case be more than 66 per centum, or less than 33 per centum, and (B) the Federal share for Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be 66 per centum, and (C) the Federal share for the Trust Territory of the Pacific Islands shall be 100 per centum.

(2) The "Federal share" for each State shall be promulgated by the Commissioner within sixty days after the beginning of the fiscal year ending June 30, 1971, and of every second fiscal year thereafter, on the basis of the average per capita incomes of each of the States and of all the States (excluding Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), for the three most recent consecutive years for which satisfactory data are available to him from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years beginning after the promulgation.

(20 U.S.C. 351e) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1665.

TITLE I—LIBRARY SERVICES

GRANTS TO STATES FOR LIBRARY SERVICES

SEC. 101. The Commissioner shall carry out a program of making grants from sums appropriated pursuant to section 4(a)(1) to States which have had approved basic State plans under section 6 and have submitted annual programs under section 103 for the extension of public library services to areas without such services and the improvement of such services in areas which such services are inadequate, for making library services more accessible to persons who, by reason of distance, residence, or physical handicap, or other disadvantage, are unable to receive the benefits of public library services regularly made available to the public, for adapting public library services to meet particular needs of persons within the States, and for improving and strengthening library administrative agencies.

(20 U.S.C. 352) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1666.

USES OF FEDERAL FUNDS

Sec. 102. (a) Funds appropriated pursuant to paragraph (1) of section 4(a) shall be available for grants to States from allotments under section 5(a) for the purpose of paying the Federal share of the cost of carrying out State plans submitted and approved under section 6 and section 103. Except as is provided in subsection (b), grants to States under this title may be used solely—

(1) for planning for, and taking other steps leading to the development of, programs and projects designed to extend and improve library services, as provided in clause (2); and

(2) for (A) extending public library services to geographical areas and groups of persons without such services and improving such services in such areas and for such groups as may have inadequate public library services; and (B) establishing, expanding, and operating programs and projects to provide (i) State institutional library services, (ii) library services to the physically handicapped, and (iii) library services for the disadvantaged in urban and rural areas; and (C) strengthening metropolitan public libraries which serve as national or regional resource centers.

(b) Subject to such limitations and criteria as the Commissioner shall establish by regulation, grants to States under this title may be used (1) to pay the cost of administering the State plans submitted and approved under this Act (including obtaining the services of consultants), statewide planning for and evaluation of library services, dissemination of information concerning library services, and the activities of such advisory groups and panels as may be necessary to assist the State library administrative agency in carrying out its functions under this title, and (2) for strengthening the capacity of State library administrative agencies for meeting the needs of the people of the States.

(20 U.S.C. 353) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1667.

STATE ANNUAL PROGRAM FOR LIBRARY SERVICES

Sec. 103. Any State desiring to receive a grant from its allotment for the purposes of this title for any fiscal year shall, in addition to having submitted, and having had approved, a basic State plan under section 6, submit for that fiscal year an annual program for library services. Such program shall be submitted at such time, in such form, and contain such information as the Commissioner may require by regulation, and shall—

(1) set forth a program for the year submitted under which funds paid to the State from appropriations pursuant to paragraph (1) of section 4(a) for that year will be used, consistent with its long-range program, solely for the purposes set forth in section 102;

(2) set forth the criteria used in allocating such funds among such purposes, which criteria shall insure that the State will expend from Federal, State, and local sources an amount not less than the amount expended by the State from such sources for State institutional library services, and library services to the physically handicapped during the fiscal year ending June 30, 1971;

(3) include such information, policies, and procedures as will assure that the activities to be carried out during that year are consistent with the long-range program; and

(4) include an extension of the long-range program, taking into consideration the results of evaluations.

(20 U.S.C. 354) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1667.

TITLE II—PUBLIC LIBRARY CONSTRUCTION

GRANTS TO STATES FOR PUBLIC LIBRARY CONSTRUCTION

SEC. 201. The Commissioner shall carry out a program of making grants to States which have had approved a basic State plan under section 6 and have submitted a long-range program and submit annually appropriately updated programs under section 203 for the construction of public libraries.

(20 U.S.C. 355a) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1668.

USES OF FEDERAL FUNDS

SEC. 202. Funds appropriated pursuant to paragraph (2) of section 4(a) shall be available for grants to States from allotments under section 5(a) for the purpose of paying the Federal share of the cost of construction projects carried under State plans. Such grants shall be used solely for the construction of public libraries under approved State plans.

(20 U.S.C. 355b) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1668.

STATE ANNUAL PROGRAM FOR THE CONSTRUCTION OF PUBLIC LIBRARIES

SEC. 203. Any State desiring to receive a grant from its allotment for the purpose of this title for any fiscal year shall, in addition to having submitted, and having had approved, a basic State plan under section 6, submit such projects as the State may approve and are consistent with its long-range program.

Such projects shall be submitted at such time and contain such information as the Commissioner may require by regulation and shall—

(1) for the year submitted under which funds are paid to the State from appropriations pursuant to paragraph (2) of section

4(a) for that year, be used, consistent with the State's long-range program, for the construction of public libraries in areas of the State which are without the library facilities necessary to provide adequate library services;

(2) follow the criteria, policies, and procedures for the approval of applications for the construction of public library facilities under the long-range program;

(3) follow policies and procedures which will insure that every local or other public agency whose application for funds under the plan with respect to a project for construction of public library facilities is denied will be given an opportunity for a hearing before the State library administrative agency;

(4) include an extension of the long-range program taking into consideration the results of evaluations.

(20 U.S.C. 355c) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1668.

TITLE III—INTERLIBRARY COOPERATION

GRANTS TO STATES FOR INTERLIBRARY COOPERATION PROGRAMS

SEC. 301. The Commissioner shall carry out a program of making grants to States which have an approved basic State plan under section 6 and have submitted a long-range program and an annual program under section 303 for interlibrary cooperation programs.

(20 U.S.C. 355e) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1668.

USES OF FEDERAL FUNDS

SEC. 302. (a) Funds appropriated pursuant to paragraph (3) of section 4(a) shall be available for grants to States from allotments under paragraphs (1) and (3) of section 5(a) for the purpose of carrying out the Federal share of the cost of carrying out State plans submitted and approved under section 303. Such grants shall be used (1) for planning for, and taking other steps leading to the development of, cooperative library networks; and (2) establishing, expanding, and operating local, regional, and interstate cooperative networks of libraries, which provide for the systematic and effective coordination of the resources of school, public, academic, and special libraries and information centers for improved supplementary services for the special clientele served by each type of library or center.

(b) For the purposes of this title, the Federal share shall be 100 per centum of the cost of carrying out the State plan.

(20 U.S.C. 355e–1) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1669.

STATE ANNUAL PROGRAM FOR INTERLIBRARY COOPERATION

SEC. 303. Any State desiring to receive a grant from its allotment for the purposes of this title for any fiscal year shall, in addition to having submitted, and having had approved, a basic State plan under section 6, submit for that fiscal year an annual program for interlibrary cooperation. Such program shall be submitted at such time, in such form, and contain such information as the Commissioner may require by regulation and shall—

(1) set forth a program for the year submitted under which funds paid to the State from appropriations pursuant to paragraph (3) of section 4(a) will be used, consistent with its long-range program for the purposes set forth in section 302,

(2) include an extension of the long-range program taking into consideration the results of evaluations.

(c)(1) The amendment made by subsection (b) shall be effective after June 30, 1971.

(2) In the case of funds appropriated to carry out programs under the Library Services and Construction Act for the fiscal year ending June 30, 1971, each State is authorized, in accordance with regulations of the Commissioner of Education, to use a portion of its allotment for the development of such plans as may be required by such Act, as amended by subsection (b).

(20 U.S.C. 355e-2) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1669.

TITLE IV—OLDER READERS SERVICES

GRANTS TO STATES FOR OLDER READERS SERVICES

SEC. 401. The Commissioner shall carry out a program of making grants to States which have an approved basic State plan under section 6 and have submitted a long-range program and an annual program under section 403 for library services for older persons.

(20 U.S.C. 361) Enacted May 3, 1973, P.L. 93-29, sec. 801(a), 87 Stat. 57.

USES OF FEDERAL FUNDS

SEC. 402. (a) Funds appropriated pursuant to paragraph (4) of section 4(a) shall be available for grants to States from allotments under section 5(a) for the purpose of carrying out the Federal share of the cost of carrying out State plans submitted and approved under section 403. Such grants shall be used for (1) the training of librarians to work with the elderly; (2) the conduct of special library programs for the elderly; (3) the purchase of special library materials for use by the elderly; (4) the payment of salaries for elderly persons who wish to work in libraries as assistants on programs for the elderly; (5) the provision of in-home visits by librarians and other library personnel to the elderly; (6) the establishment of outreach programs to notify the elderly of library services available to them; and (7) the furnishing of transportation to enable the elderly to have access to library services.

(b) For the purposes of this title, the Federal share shall be 100 per centum of the cost of carrying out the State plan.

(20 U.S.C. 362) Enacted May 3, 1973, P.L. 93-29, sec. 801(a), 87 Stat. 57.

STATE ANNUAL PROGRAM FOR LIBRARY SERVICES FOR THE ELDERLY

SEC. 403. Any State desiring to receive a grant from its allotment for the purposes of this title for any fiscal year shall, in addition to having submitted, and having had approved, a basic State plan under section 6, submit for that fiscal year an annual program for library services for older persons. Such program shall be submitted at such time, in such form, and contain such information as the Commissioner may require by regulation and shall—

(1) set forth a program for the year submitted under which funds paid to the State from appropriations pursuant to paragraph (4) of section 4(a) will be used, consistent with its long-range program for the purposes set forth in section 402, and

(2) include an extension of the long-range program taking into consideration the results of evaluations.

(20 U.S.C. 363) Enacted May 3, 1973, P.L. 93-29, sec. 801(a), 87 Stat. 58.

COORDINATION WITH PROGRAMS FOR OLDER AMERICANS

SEC. 404. In carrying out the program authorized by this title, the Commissioner shall consult with the Commissioner of the Administration on Aging and the Director of ACTION for the purpose of coordinating where practicable, the programs assisted under this title with the programs assisted under the Older Americans Act of 1965.

(20 U.S.C. 364) Enacted May 3, 1973, P.L. 93-29, sec. 801(a), 87 Stat. 58.

National Commission on Libraries and Information Science Act

(P.L. 91-345)

AN ACT To establish a National Commission on Libraries and Information Science, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Commission on Libraries and Information Science Act".

STATEMENT OF POLICY

SEC. 2. The Congress hereby affirms that library and information services adequate to meet the needs of the people of the United States are essential to achieve national goals and to utilize most effectively the Nation's educational resources and that the Federal Government will cooperate with State and local governments and public and private agencies in assuring optimum provision of such services.

(20 U.S.C. 1501) Enacted July 20, 1970, P.L. 91-345, sec. 2, 84 Stat. 440.

COMMISSION ESTABLISHED

SEC. 3. (a) There is hereby established as an independent agency within the executive branch, a National Commission on Libraries and Information Science (hereinafter referred to as the "Commission").

(b) The Department of Health, Education, and Welfare shall provide the Commission with necessary administrative services (including those related to budgeting, accounting, financial reporting, personnel, and procurement) for which payment shall be made in advance, or by reimbursement, from funds of the Commission and such amounts as may be agreed upon by the Commission and the Secretary of Health, Education, and Welfare.

(20 U.S.C. 1502) Enacted July 20, 1970, P.L. 91-345, sec. 3, 84 Stat. 440.

CONTRIBUTIONS

Sec. 4. The Commission shall have authority to accept in the name of the United States grants, gifts, or bequests of money for immediate disbursement in furtherance of the functions of the Commission. Such grants, gifts, or bequests, after acceptance by the Commission, shall be paid by the donor or his representative to the Treasurer of the United States whose receipts shall be their acquittance. The Treasurer of the United States shall enter them in a special account to the credit of the Commission for the purposes in each case specified.

(20 U.S.C. 1503) Enacted July 20, 1970, P.L. 91–345, sec. 4, 84 Stat. 441.

FUNCTIONS

Sec. 5. (a) The Commission shall have the primary responsibility for developing or recommending overall plans for, and advising the appropriate governments and agencies on, the policy set forth in section 2. In carrying out that responsibility, the Commission shall—

(1) advise the President and the Congress on the implementation of national policy by such statements, presentations, and reports as it deems appropriate;

(2) conduct studies, surveys, and analyses of the library and informational needs of the Nation, including the special library and informational needs of rural areas, of economically, socially, or culturally deprived persons and of elderly persons, and the means by which these needs may be met through information centers, through the libraries of elementary and secondary schools and institutions of higher education, and through public, research, special, and other types of libraries;

(3) appraise the adequacies and deficiencies of current library and information resources and services and evaluate the effectiveness of current library and information science programs;

(4) develop overall plans for meeting national library and informational needs and for the coordination of activities at the Federal, State, and local levels, taking into consideration all of the library and informational resources of the Nation to meet those needs;

(5) be authorized to advise Federal, State, local, and private agencies regarding library and information sciences;

(6) promote research and development activities which will extend and improve the Nation's library and information-handling capability as essential links in the national communications networks;

(7) submit to the President and the Congress (not later than January 31 of each year) a report on its activities during the preceding fiscal year; and

(8) make and publish such additional reports as it deems to be necessary, including, but not limited to, reports of consultants, transcripts of testimony, summary reports, and reports of other Commission findings, studies, and recommendations.

(b) The Commission is authorized to contract with Federal agencies and other public and private agencies to carry out any of its functions under subsection (a) and to publish and disseminate such reports, findings, studies, and records as it deems appropriate.

(c) The Commission is further authorized to conduct such hearings at such times and places as it deems appropriate for carrying out the purposes of this Act.

(d) The heads of all Federal agencies are, to the extent not prohibited by law, directed to cooperate with the Commission in carrying out the purposes of this Act.

(20 U.S.C. 1504) Enacted July 20, 1970, P.L. 91–345, sec. 5, 84 Stat. 441; amended May 3, 1973, sec. 802(a), P.L. 93–29, 87 Stat. 59.

MEMBERSHIP

SEC. 6. (a) The Commission shall be composed of the Librarian of Congress and fourteen members appointed by the President, by and with the advice and consent of the Senate. Five members of the Commission shall be professional librarians or information specialists, and the remainder shall be persons having special competence or interest in the needs of our society for library and information services, at least one of whom shall be knowledgeable with respect to the technological aspects of library and information services and sciences. One of the members of the Commission shall be designated by the President as Chairman of the Commission. The terms of office of the appointive members of the Commission shall be five years, except that (1) the terms of office of the members first appointed shall commence on the date of enactment of this Act and shall expire two at the end of one year, three at the end of two years, three at the end of three years, three at the end of four years, and three at the end of five years, as designated by the President at the time of appointment, and (2) a member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term and at least one other of whom shall be knowlegeable with respect to the library and information service and science needs of the elderly.

(b) Members of the Commission who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Commission or otherwise engaged in the business of the Commission, be entitled to receive compensation at a rate fixed by the Chairman, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Commission away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(c)(1) The Commission is authorized to appoint, without regard to the provisions of title 5, United States Code, covering appointments in the competitive service, such professional and technical personnel as may be necessary to enable it to carry out its function under this Act.

(2) The Commission may procure, without regard to the civil service or classification laws, temporary and intermittent services of such personnel as is necessary to the extent authorized by section 3109 of

title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Commission away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(20 U.S.C. 1505) Enacted July 20, 1970, P.L. 91–345, sec. 6, 84 Stat. 442; amended May 3, 1973, P.L. 93–29, sec. 802(b), 87 Stat. 59.

AUTHORIZATION OF APPROPRIATIONS

Sec. 7. There are hereby authorized to be appropriated $500,000 for the fiscal year ending June 30, 1970, and $750,000 for the fiscal year ending June 30, 1971, and for each succeeding year, for the purpose of carrying out the provisions of this Act.

(20 U.S.C. 1506) Enacted July 20, 1970, sec. 7, 84 Stat. 442.

PART VIII—INTERNATIONAL EDUCATION PROGRAMS

International Education Act of 1966

(P.L. 89–698)

AN ACT To provide for the strengthening of American educational resources for international studies and research

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Education Act of 1966".

FINDINGS AND DECLARATIONS

SEC. 2. The Congress hereby finds and declares that a knowledge of other countries is of the utmost importance in promoting mutual understanding and cooperation between nations; that strong American educational resources are a necessary base for strengthening our relations with other countries; that this and future generations of Americans should be assured ample opportunity to develop to the fullest extent possible their intellectual capacities in all areas of knowledge pertaining to other countries, peoples, and cultures; and that it is therefore both necessary and appropriate for the Federal Government to assist in the development of resources for international study and research, to assist in the development of resources and trained personnel in academic and professional fields, and to coordinate the existing and future programs of the Federal Government in international education, to meet the requirements of world leadership.

(20 U.S.C. 1171) Enacted Oct. 29, 1966, P.L. 89–698, Title 1, sec. 2, 80 Stat. 1966

TITLE I—GRANT PROGRAMS FOR ADVANCED AND UNDERGRADUATE INTERNATIONAL STUDIES

CENTERS FOR ADVANCED INTERNATIONAL STUDIES

SEC. 101. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") is authorized to arrange through grants to institutions of higher education, or combinations of such institutions, for the establishment, strengthening, and operation by them of graduate centers which will be national and international resources for research and training in international studies and the international aspects of professional and other fields of study. Activities carried on in such centers may be concentrated either on specific geographical areas of the world or on particular fields or issues in world affairs which concern one or more countries, or on both. The Secretary may also make grants to public and private nonprofit agencies and organizations, including professional and scholarly associations, when such grants will make an especially significant contribution to attaining the objectives of this section.

(b) Grants under this section may be used to cover part or all of the cost of establishing, strengthening, equipping, and operating research and training centers, including the cost of teaching and research materials and resources, the cost of programs for bringing visiting scholars and faculty to the center, and the cost of training, improvement, and travel of the staff for the purpose of carrying out the objectives of this section. Such grants may also include funds for stipends (in such amounts as may be determined in accordance with regulations of the Secretary) to individuals undergoing training in such centers, including allowances for dependents and for travel for research and study here and abroad. Grants under this section shall be made on such conditions as the Secretary finds necessary to carry out its purposes.

(20 U.S.C. 1172) Enacted Oct. 29, 1966, P.L. 89–698, Title I, sec. 101, 80 Stat. 1066.

GRANTS TO STRENGTHEN UNDERGRADUATE PROGRAMS IN INTERNATIONAL STUDIES

SEC. 102. (a) The Secretary is authorized to make grants to institutions of higher education, or combinations of such institutions, to assist them in planning, developing, and carrying out a comprehensive program to strengthen and improve undergraduate instruction in international studies. Grants made under this section may be for projects and activities which are an integral part of such a comprehensive program such as—

(1) planning for the development and expansion of undergraduate programs in international studies;

(2) teaching, research, curriculum development, and other related activities;

(3) training of faculty member in foreign countries;

(4) expansion of foreign language courses;

(5) planned and supervised student work-study-travel programs;

(6) programs under which foreign teachers and scholars may visit institutions as visiting faculty; and

(7) programs of English language training for foreign teachers, scholars, and students.

The Secretary may also make grants to public and private nonprofit agencies and organizations, including professional and scholarly associations, when such grants will make an especially significant contribution to attaining the objective of this section.

(b) A grant may be made under this section only upon application to the Secretary at such time or times and containing such information as he deems necessary. The Secretary shall not approve an application unless it—

(1) sets forth a program for carrying out one or more projects or activities for which a grant is authorized under subsection (a);

(2) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal

funds, be made available for purposes which meet the requirements of subsection (a), and in no case supplant such funds;

(3) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(4) provides for making such report, in such form and containing such information, as the Secretary may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(c) The Secretary shall allocate grants to institutions of higher education under this section in such manner and according to such plan as will most nearly provide an equitable distribution of the grants throughout the States while at the same time giving a preference to those institutions which are most in need of funds for programs in international studies and which show real promise of being able to use funds effectively.

(20 U.S.C. 1173) Enacted Oct. 29, 1966, P.L. 89–698, Title I, sec. 102, 80 Stat. 1067.

METHOD OF PAYMENT; FEDERAL ADMINISTRATION

Sec. 103. (a) Payments under this title may be made in installments, and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 1174) Enacted Oct. 29, 1966, P.L. 89–698, Title I, sec. 103, 80 Stat. 1068; subsec. (b) repealed Apr. 13, 1970, P.L. 91–230, sec. 401(c)(7) and superseded by sec. 411, Title IV, of P.L. 90–247, as amended, 20 U.S.C. 1231(b).

AUTHORIZATION AND REPORTS

Sec. 105. (a) There is authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1967, which shall be available only for the purpose of preparing the report provided for in subsection (b) of this section. There are authorized to be appropriated $40,000,000 for the fiscal year ending June 30, 1968, and $90,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971, for the purpose of carrying out the provisions of this title. There are authorized to be appropriated $20,000,000 for the fiscal year ending June 30, 1973, $30,000,000 for the fiscal year ending June 30, 1974, and $40,000,000 for the fiscal year ending June 30, 1975, for the purpose of carrying out the provisions of this title. For the fiscal years thereafter there shall be appropriated for the purpose of carrying out the provisions of this title only such amounts as the Congress may hereafter authorize by law.

(b) The Secretary shall prepare, with the advice of the Advisory Committee appointed pursuant to section 106, a report containing specific recommendations for carrying out the provisions of this title, including any recommendations for amendments to this title and to portions of other laws amended by this Act, and shall submit such report to the President and the Congress not later than April 30, 1967.

(c) Prior to January 31, 1968, and prior to January 31 in each year thereafter, the Secretary shall make a report to the Congress which reviews and evaluates activities carried on under the authority of this Act and which reviews other activities of the Federal Government drawing upon or strengthening American resources for international study and research and any existing activities and plans to coordinate and improve the efforts of the Federal Government in international education.

(20 U.S.C. 1176) Enacted Oct. 29, 1966, P.L. 89–698, Title I, sec. 105, 80 Stat. 1068; amended Oct. 16, 1968, P.L. 90–575, title V, sec. 502, 82 Stat. 1062; amended June 23, 1972, P.L. 92–318, sec. 183, 86 Stat. 312.

NATIONAL ADVISORY COMMITTEE ON INTERNATIONAL STUDIES

Sec. 106. (a) The President is authorized to establish in the Department of Health, Education, and Welfare a National Advisory Committee on International Studies, consisting of the Assistant Secretary of Health, Education, and Welfare for Education who shall be chairman, and not more than fifteen additional members appointed by the President so that a majority shall constitute a broad representation of higher education in the United States and the remainder shall include representatives of the general public and individuals experienced in foreign affairs.

(b) The Advisory Committee shall advise the Secretary in the preparation of the report provided for in section 105(b) of this Act, and thereafter shall advise the Secretary in carrying out the provisions of this Act. The recommendations of the Advisory Committee shall be included in the report provided for in section 105(b) of this Act and in the annual reports provided for in section 105(c) of this Act.

(20 U.S.C. 1177) Enacted Oct. 29, 1966, P.L. 89–698, Title I, sec. 106, 80 Stat. 1069; subsections (c) and (d) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401(h)(5) and superseded by sec. 5, 434 and 435 of P.L. 90–247, as amended, 20 U.S.C. 1233c, 1233d.

NATIONAL DEFENSE EDUCATION ACT OF 1958

(P.L. 85–864)

AN ACT To strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs to meet critical national needs; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections according to the following table of contents, may be cited as the "National Defense Education Act of 1958".

* * * * * * *

TITLE I—GENERAL PROVISIONS

FINDINGS AND DECLARATION OF POLICY

Sec. 101. The Congress hereby finds and declares that the security of the Nation requires the fullest development of the mental resources and technical skills of its young men and women. The present emergency demands that additional and more adequate educational opportunities be made available. The defense of this Nation depends upon the mastery of modern techniques developed from complex scientific principles. It depends as well upon the discovery and development of new principles, new techniques, and new knowledge.

We must increase our efforts to identify and educate more of the talent of our Nation. This requires programs that will give assurance that no student of ability will be denied an opportunity for higher education because of financial need; will correct as rapidly as possible the existing imbalances in our educational programs.

The Congress reaffirms the principle and declares that the States and local communities have and must retain control over and primary responsibility for public education. The national interest requires, however, that the Federal Government give assistance to education for programs, which are important to our defense.

To meet the present educational emergency requires additional effort at all levels of government. It is therefore the purpose of this Act to provide substantial assistance in various forms to individuals, and to States and their subdivisions, in order to insure trained manpower of sufficient quality and quantity to meet the national defense needs of the United States.

(20 U.S.C. 401) Enacted Sept. 2, 1958, P.L. 85–864, Title I, sec. 101, 72 Stat. 1581; amended Oct. 16, 1964, P.L. 88–665, Title I, sec. 101, 78 Stat. 1100.

SEC. 102. Repealed.

(20 U.S.C. 402) Enacted Sept. 2, 1958, P.L. 85–864, Title I, sec. 102, 72 Stat. 1582; repealed April 13, 1971, P.L. 91–230, Title IV, sec. 402(b)(2) and replaced by sec. 422 of P.L. 90–247, as required by sec. 401(a)(10) of P.L. 91–230 (20 U.S.C. 1232a).

DEFINITIONS

SEC. 103. As used in this Act—

(a) The term "State" means a State, Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands and, for the purposes of titles II, III, and V, the Trust Territory of the Pacific Islands, except that as used in sections 302 and 502, such term does not include Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose or, if not so accredited, (A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B) is an institution whose credits are accepted on transfer by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. For purposes of title II, such term includes any school of nursing as defined in subsection (1) of this section; and proprietary institution of higher education (as defined in section 461(b) of the Higher Education Act of 1965) which includes in its agreement under section 204 of such title such terms and conditions as the Commissioner determines to be necessary to insure that the availability of assistance to students at the school under such title has not, and will not, increase the tuition, fees, or other charges to such students; and any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provisions of clauses (1), (2), (4), and (5). If the Commissioner determines that a particular category of such schools does not meet the requirements of clause (5) (but meets the requirements of clause (4)) because there is no nationally recognized accrediting agency or association qualified to accredit schools in such category, he shall, pending the establishment of such an accrediting agency or association, appoint an advisory committee, composed of persons specially qualified to evaluate training provided by schools in such category, which shall (i) prescribe the standards of content, scope, and quality which must be met in order to qualify schools in such category to participate in the student loan program under title II, and (ii) determine whether particular schools not meeting the requirements of clause (5) meet these standards. For purposes of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as the quality of training offered.

(c) The term "Commissioner" means the Commissioner of Education.

(d) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(e) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the governor or by State law.

(f) The term "school-age population" means that part of the population which is between the ages of five and seventeen, both inclusive, and such school-age population for the several States shall be determined by the Commissioner on the basis of the population between such ages for the most recent year for which satisfactory data are available from the Department of Commerce.

(g) The term "elementary school" means a school which provides elementary education, as determined under State law or if such school is not in any State, as determined by the Commissioner.

(h) The term "secondary school" means a school which provides secondary education, as determined under State law, or, if such school is not in any State, as determined by the Commissioner, except that it does not include any education provided beyond grade 12. For the purposes of sections 301 through 304, the term "secondary school" may include a public junior college, as determined under State law or, if such school is not in any State, as determined by the Commissioner.

(i) The term "public" as applied to any school or institution includes a school or institution of any agency of the United States, except that no such school or institution shall be eligible to receive any grant, loan, or other payment under this Act.

(j) The term "nonprofit", as applied to a school or institution, means a school or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual, and, for the purposes of part A of title V, includes a school of any agency of the United States.

(k) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public institution or agency having administrative control and direct of a public elementary or secondary school.

(l) The term "school of nursing" means a public or other non-profit collegiate or associate degree school of nursing.

(m) The term "collegiate school of nursing" means a department, division, or other administrative unit in a college or university which provides primarily or exclusively an accredited program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing.

(n) The term "associate degree school of nursing" means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively an accredited two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree.

(o) The term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education.

(20 U.S.C. 403) Enacted Sept. 2, 1958, P.L. 85–864, Title I, sec. 103, 72 Stat. 1582; amended June 25, 1959, P.L. 86–70, sec. 18(a)(1), 73 Stat. 144; amended July 12, 1960, P.L. 86–624, sec. 14(a)(1), 74 Stat. 413; amended Dec. 18, 1963, P.L. 88–210, sec. 21, 77 Stat. 415; amended Oct. 16, 1964, P.L. 88–665, Title I, secs. 102, 103, 78 Stat. 1100; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 461, 79 Stat. 1251; amended Nov. 3, 1966, P.L. 89–752, sec. 16(b), 80 Stat. 1245; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 174, 82 Stat. 1035.

* * * * * * *

TITLE VI—LANGUAGE DEVELOPMENT

LANGUAGE AND AREA CENTERS AND PROGRAMS

SEC. 601. (a) The Secretary is authorized to make grants to or contracts with institutions of higher education for the purposes of establishing, equipping, and operating graduate and undergraduate centers and programs for the teaching of any modern foreign language, for instruction in other fields needed to provide a full understanding of the areas, regions, or countries in which such language is commonly used, or for research and training in international studies and the international aspects of professional and other fields of study. Any such grant or contract may cover all or part of the cost of the establishment or operation of a center or program, including the costs of faculty, staff, and student travel in foreign areas, regions, or countries, and the costs of travel of foreign scholars to teach or conduct research, and shall be made on such conditions as the Secretary finds necessary to carry out the purposes of this section.

(b) The Secretary is also authorized to pay stipends to individuals undergoing advanced training in any center or under any program receiving Federal financial assistance under this title, including allowances for dependents and for travel for research and study here and abroad, but only upon reasonable assurance that the recipients of such stipends will, on completion of their training, be available for teaching service in an institution of higher education or elementary or secondary school, or such other service of a public nature as may be permitted in the regulations of the Secretary.

(c) No funds may be expended under this title for undergraduate travel except in accordance with rules prescribed by the Secretary setting forth policies and procedures to assure that Federal funds made available for such travel are expended as part of a formal program of supervised study.

(20 U.S.C. 511) Enacted Sept. 2, 1958, P.L. 85–864, Title VI, sec. 601, 72 Stat. 1593; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 205(a), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 26(a), 77 Stat. 418; amended Oct. 16, 1964, P.L. 88–665, Title VI, sec. 601(a), 78 Stat. 1106; amended Oct. 29, 1966, P.L. 89–698, Title II, sec. 201, 80 Stat. 1069; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 331, 82 Stat. 1057; amended June 23, 1972, P.L. 92–318, sec. 182(a), 86 Stat. 311, 312.

RESEARCH AND STUDIES

SEC. 602. The Commissioner is authorized, directly or by contract, to make studies and surveys to determine the need for increased or improved instruction in modern foreign languages and other fields needed to provide a full understanding of the areas, regions or countries in which such languages are commonly used, to conduct research on more effective methods of teaching such languages and in such other fields, and to develop specialized materials for use in such training, or in training teachers of such languages or in such fields.

(20 U.S.C. 512) Enacted Sept. 2, 1958, P.L. 85–864, Title VI, sec. 602, 72 Stat. 1594.

APPROPRIATIONS AUTHORIZED

SEC. 603. There are hereby authorized to be appropriated $8,000,000 for the fiscal year ending June 30, 1964, $13,000,000 for the fiscal year ending June 30, 1965, $14,000,000 for the fiscal year ending June 30, 1966, $16,000,000 for the fiscal year ending June 30, 1967, $18,000,000 for the fiscal year ending June 30, 1968, $16,050,000 for the fiscal year ending June 30, 1969, $30,000,000 for the fiscal year ending June 30, 1970, $38,500,000 for each of the fiscal years ending June 30, 1971, and June 30, 1972, $50,000,000 for the fiscal year ending June 30, 1973, and

$75,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975, to carry out the provisions of this title.

(20 U.S.C. 513) Enacted Sept. 2, 1958, P.L. 85-864, Title VI, sec. 603, 72 Stat. 1594; amended Oct. 16, 1964, P.L. 88-665, Title VI, sec. 601(b), 78 Stat. 1107; amended Oct. 16, 1968, P.L. 90-575, Title III, sec. 331, 82 Stat. 1057; amended June 23, 1972, P.L. 92-318, sec. 182(b), 86 Stat. 312.

* * * * * * *

TITLE X—MISCELLANEOUS PROVISIONS

ADMINISTRATION

SEC. 1001. (c) The Commissioner shall include in his annual report to the Congress a full report of the activities of the Office of Education under this Act, including recommendations for needed revisions in the provisions thereof.

(d) The Secretary shall advise and consult with the heads of departments and agencies of the Federal Government responsible for the administration of scholarship, fellowship, or other educational programs with a view to securing full information concerning all specialized scholarship, fellowship, or other educational programs administered by or under any such department or agency and to developing policies and procedures which will strengthen the educational programs and objectives of the institutions of higher education utilized for such purposes by any department or agency.

(e) Any agency of the Federal Government shall exercise its functions under any other law in such manner as will assist in carrying out the objectives of this Act. Nothing in this Act shall be construed as superseding or limiting the authority of any such agency under any other law.

(f)(1) No part of any funds appropriated or otherwise made available for expenditure under the authority of this Act shall be used to make payments or loans to any individual (other than a permanent resident of the Trust Territory of the Pacific Islands) unless such individual has taken and subscribed to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I will bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic".

(2) No fellowship or stipend shall be awarded to any individual under the provisions of title IV or of part A of title VI of this Act unless such individual has provided the Commissioner (in the case of applications made on or after October 1, 1962) with a full statement regarding any crimes of which he has ever been convicted (other than crimes committed before attaining sixteen years of age and minor traffic violations for which a fine of $25 or less was imposed) and regarding any criminal charges punishable by confinement of thirty days or more which may be pending against him at the time of his application for such fellowship or stipend.

(3) The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to the oath or affirmation required

under paragraph (1) of this subsection and to the statement required under paragraph (2).

(4)(A) When any Communist organization, as defined in paragraph (5) of section 3 of the Subversive Activities Control Act of 1950, is registered or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, it shall be unlawful for any member of such organization with knowledge or notice that such organization is so registered or that such order has become final (i) to make application for any payment or loan which is to be made from funds part or all of which are appropriated or otherwise made available for expenditure under the authority of this Act, or (ii) to use or attempt to use any such payment or loan.

(B) Whoever violates subparagraph (A) of this paragraph shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(g) Nothing contained in this Act shall prohibit the Commissioner from refusing or revoking a fellowship award under title IV of this Act, in whole or in part, in the case of any applicant or recipient, if the Commissioner is of the opinion that such award is not in the best interests of the United States.

(20 U.S.C. 581) Enacted Sept. 2, 1958, P.L. 85–864, Title X, sec. 1001, 72 Stat. 1602; amended Oct. 16, 1962, P.L. 87–835, 76 Stat. 1070; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 176, 82 Stat. 1035; subsections (a) and (b) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401(c)(4) and replaced by P.L. 91–230, Title IV, sec. 401(a)(10), (20 U.S.C. 1231)

METHOD OF PAYMENT

SEC. 1006. Payments under this Act to any individual or to any State or Federal agency, institution of higher education, or any other organization, pursuant to a grant, loan, or contract, may be made in installments, and in advance or by way of reimbursements, and, in the case of grants or loans, with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 586) Enacted Sept. 2, 1958, P.L. 85–864, Title X, sec. 1006, 72 Stat. 1604.

United States Information and Educational Exchange Act of 1948

* * * * * * *

OBJECTIVES

SEC. 2. The Congress hereby declares that the objectives of this Act are to enable the Government of the United States to promote a better understanding of the United States in other countries, and to increase mutual understanding between the people of the United States and the people of other countries. Among the means to be used in achieving these objectives are:

(1) an information service to disseminate abroad information about the United States, its people, and policies promulgated by the Congress, the President, the Secretary of State and other responsible officials of Government having to do with matters affecting foreign affairs;

* * * * * * *

UNITED NATIONS

SEC. 3. In carrying out the objectives of this Act, information concerning the participation of the United States in the United Nations, its organizations and functions shall be emphasized.

* * * * * * *

DEFINITIONS

SEC. 4. When used in this Act, the term—

(1) "Secretary" means the Secretary of State.

(2) "Department" means the Department of State.

* * * * * * *

TITLE II—INTERCHANGE OF PERSONS, KNOWLEDGE, AND SKILLS

BOOKS AND MATERIALS

SEC. 202. The Secretary is authorized to provide for interchanges between the United States and other countries of books and periodicals, including government publications, for the translation of such writings, and for the preparation, distribution, and interchange of other educational materials.[1]

INSTITUTIONS

SEC. 203. The Secretary is authorized to provide for assistance to schools, libraries, and community centers abroad, founded or sponsored by citizens of the United States, and serving as demonstration centers for methods and practices employed in the United States. In assisting any such schools, however, the Secretary shall exercise no control over their educational policies and shall in no case furnish assistance of any character which is not in keeping with the free democratic principles and the established foreign policy of the United States.[2]

TITLE III—ASSIGNMENT OF SPECIALISTS

PERSONS TO BE ASSIGNED

SEC. 301. The Secretary is authorized, when the government of another country is desirous of obtaining the services of a person having special scientific or other technical or professional qualifications, from time to time to assign or authorize the assignment for service, to or in cooperation with such government, any citizen of the United States in the employ or service of the Government of the United States who has such qualification, with the approval of the Government agency in which such person is employed or serving. No person shall be assigned for service to or in cooperation with the government of any country unless (1) the Secretary finds that such assignment is necessary in the national interest of the United States, or (2) such government agrees to reimburse the United States in an amount equal to the compensation, travel expenses, and allowances payable to such person during the period of such assignment in accordance with the provisions of section 302, or (3) such government shall have made an advance of funds, property, or services as provided in section 902. Nothing in this Act, however, shall authorize the assignment of such personnel for service relating to the organization, training, operation, development, or combat equipment of the armed forces of a foreign government.

---

[1] Subject to specified policy and other controls by the Secretary of State, sec. 2(a) of 1953 Reorganization Plan No. 8 transferred to the Director of the United States Information Agency "so much of functions with respect to the interchange of books and periodicals * * * as is an integral part of information programs" under P.L. 80–402, "together with so much of the functions vested in the Secretary of State by other provisions of the said Act as is incidental to or necessary for the performance of the functions" under sec. 202.

[2] Subject to specified policy and other controls by the Secretary of State sec. 2(a) of 1953 Reorganization Plan No. 8 transferred to the Director of the United States Information Agency "so much of functions with respect to * * * aid to libraries and community centers * * * as is an integral part of information programs" under P.L. 80–402 "together with so much of the functions vested in the Secretary of State by other provisions of the said Act as is incidental to or necessary for the performance of the functions" under sec. 203. P.L. 87–256 repealed sec. 203 "insofar as it relates to schools."

STATUS AND ALLOWANCES

SEC. 302. Any citizen of the United States, while assigned for service to or in cooperation with another government under the authority of this Act, shall be considered, for the purpose of preserving his rights, allowances, and privileges as such, an officer or employee of the Government of the United States and of the Government agency from which assigned and he shall continue to receive compensation from that agency. He may also receive, under such regulations as the President may prescribe, representation allowances similar to those allowed under section 901(3) of the Foreign Service Act of 1946 (60 Stat. 999). The authorization of such allowances and other benefits and the payment thereof out of any appropriations available therefor shall be considered as meeting all the requirements of section 1765 of the Revised Statutes.[1]

ACCEPTANCE OF OFFICE UNDER ANOTHER GOVERNMENT

SEC. 303. Any citizen of the United States while assigned for service to or in cooperation with another government under authority of this Act may, at the discretion of his Government agency, with the concurrence of the Secretary, and without additional compensation therefor, accept an office under the government to which he is assigned, if the acceptance of such an office in the opinion of such agency is necessary to permit the effective performance of duties for which he is assigned, including the making or approving on behalf of such foreign government the disbursement of funds provided by such government or of receiving from such foreign government funds for deposit and disbursement on behalf of such government, in carrying out programs undertaken pursuant to this Act: *Provided, however*, That such acceptance of office shall in no case involve the taking of an oath of allegiance to another government.

---

[1] Secs. 1(d) and 2 of Executive Order 10011, Oct. 22, 1948, respectively vested in the Secretary of State the President's authority under sec. 302 and directed all officers, officials, and employees of the United States, including disbursing, accounting, and auditing offices, to give the same effect to any act of the Secretary hereunder as if done by the President.

TITLE IV—PARTICIPATION BY GOVERNMENT AGENCIES

GENERAL AUTHORITY

SEC. 401. The Secretary is authorized, in carrying on any activity under the authority of this Act, to utilize, with the approval of the President, the services, facilities, and personnel of the other Government agencies. Whenever the Secretary shall use the services, facilities, or personnel of any Government agency for activities under authority of this Act, the Secretary shall pay for such performance out of funds available to the Secretary under this Act, either in advance, by reimbursement, or direct transfer. The Secretary shall include in such report submitted to the Congress under section 1008 a statement of the services, facilities, and personnel of other Government agencies utilized in carrying on activities under the authority of this Act, showing the names and salaries of the personnel utilized, or performing services utilized, during the period covered by such report, and the amounts paid to such other agencies under this section as payment for such performance.

TECHNICAL AND OTHER SERVICES

SEC. 402. A Government agency, at the request of the Secretary, may perform such technical or other services as such agency may be competent to render for the government of another country desirous of obtaining such services, upon terms and conditions which are satisfactory to the Secretary and to the head of the Government agency, when it is determined by the Secretary that such services will contribute to the purposes of this Act. However, nothing in this Act shall authorize the performance of services relating to the organization, training, operation, development, or combat equipment of the armed forces of a foreign government.

POLICY GOVERNING SERVICES

SEC. 403. In authorizing the performance of technical and other services under this title, it is the sense of the Congress (1) that the Secretary shall encourage through any appropriate Government agency the performance of such services to foreign governments by qualified private American individuals and agencies, and shall not enter into the performance of such services to any foreign government where such service may be performed adequately by qualified private American individuals and agencies and such qualified individuals and agencies are available for the performance of such services; (2) that if such services are rendered by a Government agency, they shall demonstrate the technical accomplishments of the United States, such services being of an advisory, investigative, or instructional nature, or a demonstration of a technical process * * *

* * * * * * *

TITLE VII—APPROPRIATIONS

GENERAL AUTHORIZATIONS

SEC. 701. Appropriations to carry out the purposes of this Act are hereby authorized.

TRANSFER OF FUNDS

SEC. 702. The Secretary shall authorize the transfer to other Government agencies for expenditure in the United States and in other countries, in order to carry out the purposes of this Act, any part of any appropriations available to the Department for carrying out the purposes of this Act, for direct expenditure or as a working fund, and any such expenditures may be made under the specific authority contained in this Act or under the authority governing the activities of the Government agency to which a part of any such appropriation is transferred, provided the activities come within the scope of this Act.

TITLE VIII—ADMINISTRATIVE PROCEDURES

* * * * * * *

GOVERNMENT AGENCIES

SEC. 802. In carrying on activities which further the purposes of this Act, subject to approval of such activities by the Secretary, the Department and the other Government agencies are authorized—

(1) to place orders and make purchases and rentals of materials and equipment;

(2) to make contracts, including contracts with governmental agencies, foreign or domestic, including subdivisions thereof, and intergovernmental organizations of which the United States is a member, and, with respect to contracts entered into in foreign countries, without regard to section 3741 of the Revised Statutes (41 U.S.C. 22);

(3) under such regulations as the Secretary may prescribe, to pay the transportation expenses, and not to exceed $10 per diem in lieu of subsistence and other expenses, of citizens or subjects of other countries, without regard to the Standardized Government Travel Regulations and the Subsistence Act of 1926, as amended; and

(4) to make grants for, and to pay expenses incident to, training and study.

MAXIMUM USE OF EXISTING GOVERNMENT PROPERTY AND FACILITIES

SEC. 803. In carrying on activities under this Act which require the utilization of Government property and facilities, maximum use shall be made of existing Government property and facilities.

* * * * * * *

(22 U.S.C. 1431–1479) Enacted Jan. 27, 1948, P.L. 402, 80th Cong., 62 Stat. 6–13; amended Apr. 5, 1952, P.L. 298, 82nd Cong., 66 Stat. 43 et seq.; amended Sept. 21, 1961, P.L. 87–256, 75 Stat. 538, et seq.; amended Sept. 2, 1965, P.L. 89–164, 79 Stat. 643.

Agricultural Trade Development and Assistance Act of 1954

(P.L. 480, 83d Congress)

AN ACT To increase the consumption of the United States agricultural commodities in foreign countries, to improve the foreign relation of the United States, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Trade Development and Assistance Act of 1954".

SEC. 2. The Congress hereby declares it to be the policy of the United States to expand international trade; to develop and expand export markets for United States agricultural commodities; to use the abundant agricultural productivity of the United States to combat hunger and malnutrition and to encourage economic development in the developing countries, with particular emphasis on assistance to those countries that are determined to improve their own agricultural production; and to promote in other ways the foreign policy of the United States.

* * * * * * *

SEC. 104. Notwithstanding any other provision of law, the President may use or enter into agreements with foreign countries or international organizations to use the foreign currencies, including principal and interest from loan repayments, which accrue in connection with sales for foreign currencies under this title for one or more of the following purposes:

(a) For payment of United States obligations (including obligations entered into pursuant to other legislation);

(b) For carrying out programs of United States Government agencies to—

(1) help develop new markets for United States agricultural commodities on a mutually benefitting basis. From sale proceeds and loan repayments under this title not less than the equivalent of 5 per centum of the total sales made each year under this title shall be set aside in the amounts and kinds of foreign currencies specified by the Secretary of Agriculture and made available in advance for use as provided by this paragraph over such period of years as the Secretary of Agriculture determines will most effectively carry out the purpose of this paragraph: *Provided*, That the Secretary of Agriculture may release such amounts of the foreign currencies so set aside as he determines cannot be effectively used for agricultural market development purposes under this section, except that no release shall be made until the expiration of thirty days following the date on which notice of such proposed release is transmitted by the President to the Senate Committee on Agriculture and Forestry and to the House Committee on Agriculture, if transmitted while Congress is in session, or sixty days following the date of transmittal if transmitted while Congress is not in session. Provision shall be made in sale and loan agreements for the convertibility of

such amount of the proceeds thereof (not less than 2 per centum) as the Secretary of Agriculture determines to be needed to carry out the purpose of this paragraph in those countries which are or offer reasonable potential of becoming dollar markets for United States agricultural commodities. Such sums shall be converted into the types and kinds of foreign currencies as the Secretary deems necessary to carry out the provisions of this paragraph and such sums shall be deposited to a special Treasury account and shall not be made available or expended except for carrying out the provisions of this paragraph. Notwithstanding any other provision of law, if sufficient foreign currencies for carrying out the purpose of this paragraph in such countries are not otherwise available, the Secretary of Agriculture is authorized and directed to enter into agreements with such countries for the sale of agricultural commodities in such amounts as the Secretary of Agriculture determines to be adequate and for the use of the proceeds to carry out the purpose of this paragraph. In carrying out agricultural market development activities, nonprofit agricultural trade organizations shall be utilized to the maximum extent practicable. The purpose of this paragraph shall include such representation of agricultural industries as may be required during the course of discussions on trade programs relating either to individual commodities or groups of commodities;

(2) finance with not less than 2 per centum of the total sales proceeds received each year in each country activities to assist international educational and cultural exchange and to provide for the strengthening of the resources of American schools, colleges, universities, and other public and nonprofit educational agencies for international studies and research under the programs authorized by title VI of the National Defense Education Act, the Mutual Educational and Cultural Exchange Act of 1961, the International Education Act of 1966, the Higher Education Act of 1965, the Elementary and Secondary Education Act of 1965, the National Foundation on the Arts and the Humanities Act of 1965, and the Public Broadcasting Act of 1967;

(3) collect, collate, translate, abstract, and disseminate scientific and technological information and conduct research and support scientific activities overseas including programs and projects of scientific cooperation between the United States and other countries such as coordinated research against diseases common to all of mankind or unique to individual regions of the globe, and promote and support programs of medical and scientific research, cultural and educational development, family planning, health, nutrition, and sanitation;

(4) acquire by purchase, lease, rental, or otherwise, sites and buildings and grounds abroad, for United States Government use including offices, residence quarters, community and other facilities, and construct, repair, alter, and furnish such buildings and facilities;

(5) finance under the direction of the Librarian of Congress, in consultation with the National Science Foundation and other interested agencies, (A) programs outside the United States for the analysis and evaluation of foreign books, periodicals, and other materials to determine whether they would provide information of technical or scientific significance in the United States and whether such books, periodicals, and other materials are of cultural or educational significance, (B) the registry, indexing, binding, reproduction, cataloging, abstracting, translating, and dissemination of books, periodicals, and related materials determined to have such significance; and (C) the acquisition of such books, periodicals, and other materials and the deposit thereof in libraries and research centers in the United States specializing in the areas to which they relate;

(c) To procure equipment, materials, facilities, and services for the common defense including internal security;

(d) For assistance to meet emergency or extraordinary relief requirements other than requirements for food commodities: *Provided*, That not more than a total amount equivalent to $5,000,000 may be made available for this purpose during any fiscal year;

(e) For use to the maximum extent under the procedures established by such agency as the President shall designate for loans to United States business firms (including cooperatives) and branches, subsidiaries, or affiliates of such firms for business development and trade expansion in such countries, including loans for private home construction, and for loans to domestic or foreign firms (including cooperatives) for the establishment of facilities for aiding in the utilization, distribution, or otherwise increasing the consumption of, and markets for, United States agricultural products: *Provided, however*, That no such loans shall be made for the manufacture of any products intended to be exported to the United States in competition with products produced in the United States and due consideration shall be given to the continued expansion of markets for United States agricultural commodities or the products thereof. Foreign currencies may be accepted in repayment of such loans;

(f) To promote multilateral trade and agricultural and other economic development, under procedures, established by the President, by loans or by use in any other manner which the President may determine to be in the national interest of the United States, particularly to assist programs of recipient countries designed to promote, increase, or improve food production, processing, distribution, or marketing in food-deficit countries friendly to the United States, for which purpose the President may utilize to the extent practicable the services of nonprofit voluntary agencies registered with and approved by the Advisory Committee on Voluntary Foreign Aid. *Provided*, That no such funds may be utilized to promote religious activities;

(g) For the purchase of goods or services for other friendly countries;

(h) For financing, at the request of such country, programs emphasizing maternal welfare, child health and nutrition, and activities, where participation is voluntary, realted to the problems of population growth, under procedures established by the President through any agency of the United States, or through any local agency which he determines is qualified to administer such activities. (Not less than 5 per centum of the total sales proceeds received each year shall, if requested by the foreign country, be used for voluntary programs to control population growth;

(i) For paying, to the maximum extent practicable, the costs outside the United States of carrying out the program authorized in section 406 of this Act;

(j) For sale for dollars to United States citizens and nonprofit organizations for travel or other purposes of currencies determined to be in excess of the needs of departments and agencies of the United States for such currencies. The United States dollars received from the sale of such foreign currencies shall be deposited to the account of Commodity Credit Corporation; and

(k) For paying, to the maximum extent practicable, the costs of carrying out programs for the control of rodents, insects, weeds, and other animal or plant pests;

Provided That—

(1) Section 1415 of the Supplemental Appropriation Act, 1953, shall apply to currencies used for the purposes specified in subsections (a) and (b),

(2) Section 1415 of the Supplemental Appropriation Act, 1953, shall apply to all foreign currencies used for grants under subsections (f) and (g), to not less than 10 per centum of the foreign currencies which accrue pursuant to agreements entered into on or before December 31, 1964, and to not less than 20 per centum in the aggregate of the foreign currencies which accrue pursuant to agreements entered into thereafter: *Provided, however*, That the President is authorized to waive such applicability of section 1415 in any case where he determines that it would be inappropriate or inconsistent with the purposes of this title,

(3) No agreement or proposal to grant any foreign currencies (except as provided in subsection (c) of this section), or to use (except pursuant to appropriation Act) any principal or interest from loan repayments under this section shall be entered into or carried out until the expiration of thirty days following the date on which such agreement of proposal is transmitted by the President to the Senate Committee on Agriculture and Forestry and to the House Committee on Agriculture, if transmitted while Congress is in session, or sixty days following the date of transmittal if transmitted while Congress is not in session,

(4) Any loan made under the authority of this section shall bear interest at such rate as the President may determine but not less than the cost of funds to the United States Treasury, taking into consideration the current average market yields on outstanding marketable obligations of the United States having maturity comparable to the maturity of such loans, unless the President shall in specific instances after consultation with the advisory committee established under section 407 designate a different rate:

Provided, further, That paragraphs (2), (3), and (4) of the foregoing proviso shall not apply in the case of any nation where the foreign currencies or credits owned by the United States and available for use by it in such nation are determined by the Secretary of the Treasury to be in excess of the normal requirements of the departments and agencies of the United States for expenditures in such nations for the two fiscal years following the fiscal year in which such determination is made. The amount of any such excess shall be devoted to the extent practicable and without regard to paragraph (1) of the foregoing proviso, to the acquisition of sites, buildings, and grounds under paragraph (4) of subsection (b) of this section and to assist such nation in undertaking self-help measures to increase its production of agricultural commodities and its facilities for storage and distribution of such commodities. Assistance under the foregoing provision shall be limited to self-help measures additional to those which would be undertaken without such assistance. Upon the determination by the Secretary of the Treasury that such an excess exists with respect to any nation, the President shall advise the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture of such determination; and shall thereafter report to each such committee as often as may be necessary to keep such Committee advised as to the extent of such excess, the purposes for which it is used or proposed to be used, and the effects of such use.

SEC. 105. Foreign currencies received pursuant to this Act shall be deposited in a special account to the credit of the United States and shall be used only pursuant to section 104, and any department or agency of the Government using any of such currencies for a purpose for which funds have been appropriated shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used. The President shall utilize foreign currencies received pursuant to this Act in such manner as will, to the maximum extent possible, reduce any deficit in the balance of payments of the United States.

* * * * *

SEC. 107. (a) It is also the policy of the Congress to stimulate and maximize the sale of United States agricultural commodities for dollars through the private trade and to further the use of private enterprise to the maximum, thereby strengthening the development and expansion of foreign commercial markets for United States agricultural commodities. In furtherance of this policy, the Secretary of Agriculture is authorized, notwithstanding any other provision of law, to enter into agreements with foreign and United States private trade for financing the sale of agricultural commodities for export over such periods of time and on such credit terms as the Secretary determines will accomplish the objectives of this section. Any agreement entered into under this section shall provide for the development and execution of projects which will result in the establishment of facilities designed to improve the storage or marketing of agricultural commodities, or which will otherwise stimulate and expand private economic enterprise in any friendly country. Any agreement entered into under this section shall also provide for the furnishing of such security as the Secretary determines necessary to provide reasonable and adequate assurance of payment of the purchase price in dollars with interest at a rate which will as nearly as practicable be equivalent to the average cost of funds to the United States Treasury, as determined by the Secretary of the Treasury, on outstanding marketable obligations of the United States having maturities comparable to maturities of credits extended under this section. In no event shall the rate of interest be less than the minimum rate, or the delivery period, deferral of first payment, or term of credit be longer than the maximum term, authorized in section 106. In carrying out this Act, the authority provided in this section for making dollar sales shall be used to the maximum extent practicable.

(b) In carrying out the provisions of this section, the Secretary shall take reasonable precautions to safeguard usual marketings of the United States and to avoid displacing any sales of United States agricultural commodities which the Secretary finds and determines would otherwise be made for cash dollars.

(c) The Secretary shall obtain commitments from purchaser that will prevent resale or transshipment to other countries, or use for other than domestic purposes, of agricultural commodities purchased under this section.

(d) In carrying out this Act, the provisions of sections 102, 103(a), 103(d), 103(e), 103(f), 103(j), 103(k), 110, 401, 402, 403, 404, 405, 407, 408, and 409 shall be applicable to sales under this section.

Sec. 108. The Commodity Credit Corporation may finance ocean freight charges incurred pursuant to agreements for sales for foreign currencies (other than those providing for conversion to dollars as described in section 103(b) of this Act) entered into hereunder only to the extent that such charges are higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels. Such agreements shall require the balance of such charges for transportation in United States vessels to be paid in dollars by the nations or organizations with whom such agreements are entered into.

Sec. 109. (a) Before entering into agreements with developing countries for the sale of United States agricultural commodities on whatever terms, the President shall consider the extent to which the recipient country is undertaking wherever practicable self-help measures to increase per capita production and improve the means for storage and distribution of agricultural commodities, including:

(1) devoting land resources to the production of needed food rather than to the production of nonfood crops—especially nonfood crops in world surplus;

(2) development of the agricultural chemical, farm machinery and equipment, transportation and other necessary industries through private enterprise;

(3) training and instructing farmers in agricultural methods and techniques;

(4) constructing adequate storage facilities;

(5) improving marketing and distribution systems;

(6) creating a favorable environment for private enterprise and investment, both domestic and foreign, and utilizing available technical know-how;

(7) establishing and maintaining Government policies to insure adequate incentives to producers;

(8) establishing and expanding institutions for adaptive agricultural research;

(9) allocating for these purposes sufficient national budgetary and foreign exchange resources (including those supplied by bilateral, multilateral and consortium aid programs) and local currency resources (resulting from loans or grants to recipient governments of the proceeds of local currency sales); and

(10) carrying out voluntary programs to control population growth.

(b) Notwithstanding any other provisions of this Act, in agreements with nations not engaged in armed conflict against Communist forces or against nations with which the United States has no diplomatic relations, not less than 20 per centum of the foreign currencies set aside for purposes other than those in sections 104 (a), (b), (e), and (j) shall be allocated for the self-help measures set forth in this section.

(c) Each agreement entered into under this title shall describe the program which the recipient country is undertaking to improve its production, storage, and distribution of agricultural commodities; and shall provide for termination of such agreement whenever the President finds that such program is not being adequately developed.

SEC. 110. Agreements shall not be entered into under this title during any calendar year which will call for an appropriation to reimburse the Commodity Credit Corporation in an amount in excess of $1,900,000,000, plus any amount by which agreements entered into under this title in prior years have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than authorized for such prior years.

Mutual Educational and Cultural Exchange Act of 1961

(P.L. 87-256)

AN ACT To provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the people of the world through educational and cultural exchanges

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mutual Educational and Cultural Exchange Act of 1961".

SEC. 101. STATEMENT OF PURPOSE.—The purpose of this Act is to enable the Government of the United States to increase mutual understanding between the people of the United States and the people of other countries by means of educational and cultural exchange; to strengthen the ties which unite us with other nations by demonstrating the educational and cultural interests, developments, and achievements of the people of the United States and other nations, and the contributions being made toward a peaceful and more fruitful life for people throughout the world; to promote international cooperation for educational and cultural advancement; and thus to assist in the development of friendly, sympathetic, and peaceful relations between the United States and the other countries of the world.

SEC. 102. (a) The President is authorized, when he considers that it would strengthen international cooperative relations, to provide, by grant, contract, or otherwise, for—

(1) educational exchanges, (i) by financing studies, research, instruction, and other educational activities—

(A) of or for American citizens and nationals in foreign countries; and

(B) of or for citizens and nationals of foreign countries in American schools and institutions of learning located in or outside the United States;

and (ii) by financing visits and interchanges between the United States and other countries of students, trainees, teachers, instructors, and professors;

(2) cultural exchanges, by financing—

(i) visits and interchanges between the United States and other countries of leaders, experts in fields of specialized knowledge or skill, and other influential or distinguished persons;

(ii) tours in countries abroad by creative and performing artists and athletes from the United States, individually and in groups, representing any field of the arts, sports, or any other form of cultural attainment;

(iii) United States representation in international artistic, dramatic, musical, sports, and other cultural festivals, competitions, meetings, and like exhibitions and assemblies;

(iv) participation by groups and individuals from other countries in nonprofit activities in the United States similar to those described in subparagraphs (ii) and (iii) of this paragraph, when the President determines that such participation is in the national interest.

(3) United States participation in international fairs and expositions abroad, including trade and industrial fairs and other public or private demonstrations of the United States economic accomplishments and cultural attainments.

(b) In furtherance of the purposes of this Act, the President is further authorized to provide for—

(1) interchanges between the United States and other countries of handicrafts, scientific, technical, and scholarly books, books of literature, periodicals, and Government publications, and the reproduction and translation of such writings and the preparation, distribution, and interchange of other educational and research materials, including laboratory and technical equipment for education and research;

(2) establishing and operating in the United States and abroad centers for cultural and technical interchanges to promote better relations and understanding between the United States and other nations through cooperative study, training, and research;

(3) assistance in the establishment, expansion, maintenance, and operation of schools and institutions of learning abroad, founded, operated, or sponsored by citizens or nonprofit institutions of the United States, including such schools and institu-

tions serving as demonstration centers for methods and practices employed in the United States;

(4) fostering and supporting American studies in foreign countries through professorships, lectureships, institutes, seminars, and courses in such subjects as American history, government, economics, language, and literature, and other subjects related to American civilization and culture, including financing the attendance at such studies by persons from other countries;

(5) promoting and supporting medical, scientific, cultural, and educational research and development;

(6) promoting modern foreign language training and area studies in United States schools, colleges, and universities by supporting visits and study in foreign countries by teachers and prospective teachers in such schools, colleges, and universities for the purpose of improving their skill in languages and their knowledge of the culture of the people of these countries, and by financing visits by teachers from those countries to the United States for the purpose of participating in foreign language training and area studies in United States schools, colleges, and universities;

(7) United States representation at international nongovernmental educational, scientific, and technical meetings;

(8) participation by groups and individuals from other countries in educational, scientific, and technical meetings held under American auspices in or outside the United States;

(9) encouraging independent research into the problems of educational and cultural exchange; and

(10) promoting studies, research, instruction, and other educational activities of citizens and nationals of foreign countries in American schools, colleges, and universities located in the United States by making available to citizens and nationals of less developed friendly foreign countries for exchange for currencies of their respective countries (other than excess foreign currencies), at United States embassies, United States dollars in such amounts as may be necessary to enable such foreign citizens or nationals who are coming temporarily to the United States as students, trainees, teachers, instructors, or professors to meet expenses of the kind described in section 104(e)(1) of this Act.

SEC. 103. (a) The President is authorized to enter into agreements with foreign governments and international organizations, in furtherance of the purposes of this Act. In such agrements the President is authorized, when he deems it in the public interest, to seek the agreement of the other governments concerned to cooperate and assist, including making use of funds placed in special accounts pursuant to agreements concluded in accordance with section 115(b)(6) of the Economic Cooperation Act of 1948, or any similar agreements, in providing for the activities authorized in section 102, and particularly those authorized in subsection 102(a)(1), of this Act with respect to the expenses of international transportation of their own citizens and nationals and of activities in furtherance of the purposes of this Act carried on within the borders of such other nations.

(b) Such agreements may also provide for the creation or continuation of binational or multinational educational and cultural foundations and commissions for the purpose of administering programs in furtherance of the purposes of this Act.

(c) In such agreements with international organizations, the President may provide for equitable United States participation in and support for, including a reasonable share of the cost of, educational and cultural programs to be administered by such organizations.

SEC. 104(a) The President may delegate, to such officers of the Government as he determines to be appropriate, any of the powers conferred upon him by this Act to the extent that he finds such delegation to be in the interest of the purposes expressed in this Act and the efficient administration of the programs undertaken pursuant to this Act: *Provided*, That where the President has delegated any of such powers to any officer, before the President implements any proposal for the delegation of any of such powers to another officer, that proposal shall be submitted to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate, and thereafter a period of not less than sixty days shall have elapsed while Congress is in session. In computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days.

(b) The President is authorized to employ such other personnel as he deems necessary to carry out the provisions and purposes of this Act, and of such personnel not to exceed ten may be compensated without regard to the provisions of the Classification Act of 1949, as amended, and of these not to exceed five may be compensated at a rate in excess of the highest rate of grade 18 of the general schedule established by such Act. Such positions shall be in addition to the number authorized by section 505 of the Classification Act of 1949, as amended.

(c) For the purpose of performing functions under this Act outside the United States, including participation in binational or multinational foundations or commissions, the Secretary of State may employ or assign or authorize the employment or assignment for the duration of operations under this Act of persons in or to the Foreign Service Reserve or Foreign Service Staff and alien clerks and employees in accordance with applicable provisions of the Foreign Service Act of 1946, as amended (22 U.S.C. 801).

(d) For the purpose of performing functions under this Act outside the United States, the President is authorized to provide that any person employed or assigned by a United States Government agency shall be entitled, except to the extent that the President may specify otherwise in cases in which the period of employment or assignment exceeds thirty months, to the same benefits as are provided by section 528 of the Foreign Service Act of 1946, as amended (22 U.S.C. 928), for persons appointed to the Foreign Service Reserve and, except for policymaking officials, the provisions of section 1005 of the Foreign Service Act of 1949, as amended (22 U.S.C. 807), shall apply in the case of such persons.

(e)(1) In providing for the activities and interchanges authorized by section 102 of this Act, grants may be made to or for individuals, either directly or through foundations or educational or other institutions, which foundations or institutions are public or private nonprofit, and may include funds for tuition and other necessary incidental expenses, for travel expenses from their places of residence and return for themselves, and, whenever it would further the purposes of this Act, for the dependent members of their immediate families, for health and accident insurance premiums, emergency medical expenses, costs of preparing and transporting to their former homes the remains of any of such persons who may die while away from their homes as participants or dependents of participants in any program under this Act, and for per diem in lieu of subsistence at rates prescribed by the President, for all such persons, and for such other expenses as are necessary for the successful accomplishment of the purposes of this Act.

(2) Funds available for programs under this Act may be used (i) to provide for orientation courses, language training, or other appropriate services and materials for persons traveling out of the countries of their residence for educational and cultural purposes which further the purposes of this Act, whether or not they are receiving other financial support from the Government, and (ii) to provide or continue services to increase the effectiveness of such programs following the return of such persons to the countries of their residence.

(3) For the purpose of assisting foreign students in making the best use of their opportunities while attending colleges and universities in the United States, and assisting such students in directing their talents and initiative into channels which will make them more effective leaders upon return to their native lands, the President may make suitable arrangements, by contract or otherwise, for the establishment and maintenance at colleges and universities in the United States attended by foreign students of an adequate counseling service.

(4) The President is authorized to provide for publicity and promotion (including representation) abroad of activities of the type provided for in this Act.

(f) All persons employed or assigned to duties under this Act shall be investigated with respect to loyalty and suitability in accordance with standards and procedures established by the President.

(g)(1) For the purpose of performing functions authorized by section 102(b)(10) of this Act, the President is authorized to establish the exchange rates at which all foreign currencies may be acquired through operations under such section, and shall issue regulations binding upon all embassies with respect to the exchange rates to be applicable in each of the respective countries where currency exchanges are authorized under such section.

(2) In performing the functions authorized under section 102(b)(10) of this Act, the President shall make suitable arrangements for protecting the interests of the United States Government in connection with the ownership, use, and disposition of all foreign currencies acquired pursuant to exchanges made under such section.

(3) The total amount of United States dollars acquired by any individual through currency exchanges under the authority of section 102(b)(10) of this Act shall in no event exceed $3,000 during any academic year.

(4) An individual shall be eligible to exchange foreign currency for United States dollars at United States embassies under section 102(b)(10) of this Act only if he gives satisfactory assurances that (A) he will devote essentially full time to his proposed educational

activity in the United States and will maintain good standing in relation to such program; (B) he will return to the country of his citizenship or nationality prior to coming to the United States and will render such public service as is determined acceptable for a period of time determined reasonable and necessary by the government of such country; and (C) he will not apply for an immigrant visa or for permanent residence or for a nonimmigrant visa under the Immigration and Nationality Act after having received any benefits under such section for a period of time equal to the period of study, research, instruction, or other educational activity he performed pursuant to such section.

(5) As used in section 102(b)(10) of this Act, the term "excess foreign currencies" means foreign currencies, which if acquired by the United States (A) would be in excess of the normal requirements of departments, agencies, and embassies of the United States for such currencies, as determined by the President, and (B) would be available for the use of the United States Government under applicable agreements with the foreign country concerned.

Sec. 105. (a) Appropriations to carry out the purposes of this Act to remain available until expended, are hereby authorized, and this authorization includes the authority to grant, in any appropriation Act, the authority to enter into contracts, within the amounts so authorized, creating obligations in advance of appropriations.

(b) Funds appropriated for programs under this Act may, without regard to section 3651 of the Revised Statutes (31 U.S.C. 543), be used for the acquisition from any source of foreign currencies in such amounts as may be necessary for current expenditures and for grants, including grants to foundations and commissions in accordance with international agreements providing for the accomplishment of the purposes of this Act.

(c) Moneys appropriated to any department or agency of the Government in furtherance of the purposes of this Act for research, technical aid, and educational and cultural programs, may be transferred by the President to any other appropriation available for like purposes, but no appropriation authorized by this Act shall be increased or decreased by more than 10 per centum by reason of transfers pursuant to this paragraph.

(d) The President is authorized—

(1) to reserve in such amounts and for such periods as he shall determine to be necessary to provide for the programs authorized by subsections 102(a)(1) and 102(a)(2)(i), and

(2) notwithstanding the provisions of any other law, to use in such amounts as may from time to time be specified in appropriation Acts, to the extent that such use is not restricted by agreement with the foreign nations concerned, for any programs authorized by this Act,

any currencies of foreign nations received or to be received by the United States or any agency thereof—

(i) under agreements disposing of surplus property or settling lend-lease and other war accounts concluded after World War II;

(ii) as the proceeds of sales or loan repayments, including interest, for transactions heretofore or hereafter effected under the

Agricultural Trade Development and Assistance Act of 1954, as amended;

(iii) in repayment of principal or interest on any other credit extended or loan heretofore or hereafter made by the United States or any agency thereof; or

(iv) as deposits to the account of the United States pursuant to section 115(b)(6) or section 115(h) of the Economic Cooperation Act of 1948, as amended, or any similar provision of any other law.

(e) The President is further authorized to reserve and use for educational and cultural exchange programs and other activities authorized in subsections 102(a) and (b) of this Act, in relation to Finland and the people of Finland, all sums due or paid on and after August 24, 1949, by the Republic of Finland to the United States as interest on or in retirement of the principal of the debt incurred under the Act of February 25, 1919, as refunded by the agreement dated May 1, 1923, pursuant to the authority contained in the Act of February 9, 1922, or of any other indebtedness incurred by that Republic and owing to the United States as a result of World War I.

(f) Foreign governments, international organizations and private individuals, firms, associations, agencies, and other groups shall be encouraged to participate to the maximum extent feasible in carrying out this Act and to make contributions of funds, property, and services which the President is hereby authorized to accept, to be utilized to carry out the purposes of this Act. Funds made available for the purposes of this Act may be used to contribute toward meeting the expenses of activities carried out through normal private channels, by private means, and through foreign governments and international organizations.

(g) Notwithstanding any other provision of this Act, there are authorized to be appropriated for the purposes of making currency exchanges under section 102(b)(10) of this Act, not to exceed $10,000,000 for the fiscal year ending June 30, 1968, and not to exceed $15,000,000 for the fiscal year ending June 30. 1969.

SEC. 106. (a)(1) For the purpose of selecting students, scholars, teachers, trainees, and other persons to participate in the programs authorized under section 102(a)(1) of this Act, and of supervising such programs and the programs authorized under section 102(b)(4) and (6), there is hereby continued the authority of the President to appoint a Board of Foreign Scholarships (hereinafter referred to as the "Board") consisting of twelve members. In connection with appointments to such Board, due consideration shall be given to the selection of distinguished representatives of cultural, educational, student advisory, and war veterans groups, and representatives of the United States Office of Education, the United States Veterans' Administration, public and private nonprofit educational institutions.

(2) In the selection of American citizens for participation in programs under this Act, preference shall be given to those who have served in the Armed Forces of the United States, and due consideration shall be given to applicants from all geographical areas of the United States.

(b)(1) The United States Advisory Commission on International Education and Cultural Affairs (hereinafter referred to as the

"Commission") is hereby established to replace the United States Advisory Commission on Educational Exchange. The Commission shall formulate and recommend to the President policies for exercising his authority under this Act and shall appraise the effectiveness of programs carried out pursuant to it. The Commission shall make a special study of the effectiveness of past programs with emphasis on the activities of a reasonably representative cross section of past recipients of aid and shall submit a report to the Congress not later than December 31, 1962.

(2) The Commission shall consist of nine members, who shall be appointed by the President, by and with the advice and consent of the Senate. Members of the Commission shall be appointed on a nonpartisan basis.

(3) The members of the Commission shall represent the public interest and shall be selected from a cross section of educational, cultural, scientific technical and public service backgrounds.

(4) The term of each member shall be three years except that, of the first nine appointments, three shall be for a term of one year and three shall be for a term of two years. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor is appointed shall be appointed for the remainder of such term. Upon the expiration of his term of office any member may continue to serve until his successor is appointed and has qualified.

(5) The President shall designate a Chairman from among members of the Commission.

(6) The Commission is authorized to adopt such rules and regulations as it may deem necessary to carry out the authority conferred upon it by this Act.

(c)(1) There is hereby continued the Advisory Committee on the Arts (hereinafter referred to as the "Committee") created under section 10 of the International Cultural Exchange and Trade Fair Participation Act of 1956, consisting of a Chairman and nine other members of whom at least one shall be a member of the Commission. Appointment of all members and selection of the Chairman of this Committee shall hereafter be made by the Secretary of State. In making such appointments due consideration shall be given to the recommendations for nomination submitted by leading national organizations in the major art fields.

(2) The members of the Committee shall be individuals whose knowledge of or experience in, or whose profound interest in, one or more of the arts will enable them to assist the Commission, the President, and other officers of the Government in performing the functions described in paragraph (3) of this subsection.

(3) The Committee shall, in connection with activities authorized under subsection 102(a)(2) of this Act—

(A) advise and assist the Commission in the discharge of its responsibilities in the field of international educational exchange and cultural presentations with special reference to the role of the arts in such fields;

(B) advise other interested officers of the Government in the discharge of their responsibilities in connection with such activities and in connection with other international activities concerned with the arts;

(C) provide such other advice and assistance as may be necessary or appropriate.

(4) The term of office of each of the members of the Committee shall be three years.

(d) The Presideint is authorized to create such interagency and other advisory committees as in his judgment may be of assistance in carrying out the purposes of this Act, and from time to time to convene conferences of persons interested in educational and cultural affairs to consider matters relating to the purposes of this Act.

(e) The provisions of section 214 of the Act of May 3, 1945 (59 Stat. 134; 31 U.S.C. 691), shall be applicable to any interagency committee created pursuant to the provisions of this Act. Members of the Board, the Commission, the Committee, and other committees provided for in this section shall be entitled (i) to transportation expenses and per diem in lieu of subsistence at the rate prescribed by or established pursuant to section 5 of the Administrative Expense Act of 1946, as amended (5 U.S.C. 73b–2), while away from home in connection with attendance at meetings or in consultation with officials of the Government or otherwise carrying out duties as authorized, and (ii) if not otherwise in the employ of the United States Government, to compensation at rates not in excess of $50 per diem while performing services for such Board, Commission, Committee, or other committee.

(f) The President is authorized to provide for necessary secretarial and staff assistance for the Board, the Commission, the Committee, and such other committees as may be created under this section.

Sec. 107. The Board, the Commission, and the Committee shall submit annual reports to the Congress and such other reports to the Congress as they deem appropriate, and shall make reports to the public in the United States and abroad to develop a better understanding of and support for the programs authorized by this Act.

Sec. 108. (a) Whenever the President determines it to be in furtherance of this Act, the function authorized in section 102(a) (2) and (3) may be performed without regard to such provisions of law or limitations of authority regulating or relating to the making, performance, amendment, or modification of contracts, the acquisition and disposition of property, and the expenditure of Government funds, as he may specify.

(b) The President shall submit annual reports to the Congress of activities carried on and expenditures made in furtherance of the purposes of this Act. Each such report shall include the texts of agreements made with other nations during the period covered by the report, a full description of the program and the funds expended with respect to each country in which activities have been carried on in furtherance of the purposes of this Act.

(c) In connection with activities authorized by section 102(a) (2) and (3) of this Act, the President is authorized to provide for all necessary expenditures involved in the selection, purchase, rental, construction, or other acquisition, of exhibits and materials and equipment therefor, and the actual display thereof, including but not limited to costs of transportation, insurance, installation, safekeeping and storage, maintenance and operation, rental of space, and dismantling.

(d) The President is authorized to utilize the provisions of title VIII of the United States Information and Education Exchange Act of 1948, as amended, to the extent he deems necessary in carrying out the provisions and purposes of this Act.

* * * * * * *

(22 U.S.C. 2451–2458) Enacted Sept. 21, 1961, P.L. 87–256, 75 Stat. 527; amended Aug. 1, 1962, P.L. 87–565, 76 Stat. 263; amended Oct. 29, 1966, P.L. 89–698, Title II, sec. 203, 80 Stat. 1071.

FOREIGN ASSISTANCE ACT OF 1961

* * * * * * *

PART I—ACT FOR INTERNATIONAL DEVELOPMENT OF 1961

* * * * * * *

SEC. 101. STATEMENT OF POLICY. * * *

The Congress further declares that in the administration of programs of assistance under this chapter, the highest practicable emphasis should be given to: programs providing for loans or loan guarantees for use by institutions and organizations in making repayable low-interest rate loans to individuals in friendly foreign countries for * * * financing the opportunity for individuals to obtain practical education in vocational and occupational skills * * *.

Title II—Development Grants and Technical Cooperation

SEC. 211. GENERAL AUTHORITY.—(a) The President is authorized to furnish assistance on such terms and conditions as he may determine in order to promote the economic development of less developed friendly countries and areas, with emphasis upon assisting the development of human resources through such means as programs of technical cooperation and development. In so doing, the President shall take into account (1) whether the activity gives reasonable promise of contributing to the development of educational or other institutions and programs directed toward social progress, (2) the consistency of the activity with, and its relationship to, other development activities being undertaken or planned, and its contribution to realizable long-range development objectives, (3) the economic and technical soundness of the activity to be financed * * *.

(b) In countries and areas which are in the earlier stages of economic development, programs of development of education and human resources through such means as technical cooperation shall be emphasized, and the furnishing of capital facilities for purposes other than the development of education and human resources shall be given a lower priority until the requisite knowledge and skills have been developed.

* * * * * * *

SEC. 214. AMERICAN SCHOOLS AND HOSPITALS ABROAD.—(a) The President is authorized to furnish assistance, on such terms and conditions as he may specify, to schools and libraries outside the United States founded or sponsored by United States citizens and serving as study and demonstration centers for ideas and practices of the United States.

* * * * * * *

Part III

* * * * * * *

CHAPTER 2—ADMINISTRATIVE PROVISIONS

Sec. 621. Exercise of Functions.—The President may exercise any functions conferred upon him by this chapter through such agency or officer of the United States Government as he shall direct. The head of any such agency or such officer may from time to time promulgate such rules and regulations as may be necessary to carry out such functions, and may delegate authority to perform any such functions, including, if he shall so specify, the authority successively to redelegate any of such functions to any of his subordinates. In providing technical assistance under this chapter, the head of any such agency or such officer shall utilize, to the fullest extent practicable, goods and professional and other services from private enterprises on a contract basis. In such fields as education, health, housing, or agriculture, the facilities and resources of other Federal agencies shall be utilized when such facilities are particularly or uniquely suitable for technical assistance, are not competitive with private enterprise, and can be made available without interfering unduly with domestic programs.

* * * * * * *

(22 U.S.C. 2151 et. seq.) Enacted Sept. 4, 1961, P.L. 87-195, 75 Stat. 424; amended Aug. 1962, P.L. 87-567, 76 Stat. 255; Dec. 16, 1963, P.L. 88-205, 77 Stat. 379; Oct. 7, 1964, P.L. 88-633, 78 Stat. 1009; Sept. 6, 1965, P.L. 89-171, 79 Stat. 653.

The Immigration and Nationality Act

* * * * * * *

TITLE I—GENERAL

DEFINITIONS

Sec. 101. (a) As used in this Act—

* * * * * * *

(15) The term "immigrant" means every alien except an alien who is within one of the following classes of nonimmigrant aliens—

* * * * * * *

(F) (i) an alien having a residence in a foreign country which he has no intention of abandoning, who is a bona fide student qualified to pursue a full course of study and who seeks to enter the United States temporarily and solely for the purpose of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by him and approved by the Attorney

General after consultation with the Office of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student, and if any such institution of learning or place of study fails to make reports promptly the approval shall be withdrawn, and (ii) the alien spouse and minor children of any such alien if accompanying him or following to join him;

* * * * * * *

(J) an alien having a residence in a foreign country which he has no intention of abandoning who is a bona fide student, scholar, trainee, teacher, professor, research assistant, specialist, or leader in a field of specialized knowledge or skill, or other person of similar description, who is coming temporarily to the United States as a participant in a program designated by the Secretary of State, for the purpose of teaching, instructing or lecturing, studying, observing, conducting research, consulting, demonstrating special skills, or receiving training, and the alien spouse and minor children of any such alien if accompanying him or following to join him.

* * * * * * *

TITLE II—IMMIGRATION

* * * * * * *

SEC. 212. * * *

(e) No person admitted under section 101(a)(15)(J) or acquiring such status after admission shall be eligible to apply for an immigrant visa, or for permanent residence, or for a nonimmigrant visa under section 101(a)(15)(H) until it is established that such person has resided and been physically present in the country of his nationality or his last residence, or in another foreign country for an aggregate of at least two years following departure from the United States: *Provided*, That such residence in another foreign country shall be considered to have satisfied the requirements of this subsection if the Secretary of State determines that it has served the purpose and the intent of the Mutual Educational and Cultural Exchange Act of 1961: *Provided further*, That upon the favorable recommendation of the Secretary of State, pursuant to the request of an interested United States Government agency, or of the Commissioner of Immigration and Naturalization after he has determined that departure from the United States would impose exceptional hardship upon the alien's spouse or child (if such spouse or child is a citizen of the United States or a lawfully resident alien), the Attorney General may waive the requirement of such two-year foreign residence abroad in the case of any alien whose admission to the United States is found by the Attorney General to be in the public interest: *And provided further*, That the provisions of this paragraph shall apply also to those persons who acquired exchange visitor status under the United States Information and Educational Exchange Act of 1948, as amended.

* * * * * * *

(8 U.S.C. 1101, et seq.) Enacted June 27, 1952, P.L. 414, 82nd Cong., 66 Stat. 166; amended Sept. 21, 1961, P.L. 87–256, 75 Stat. 527; amended Oct. 3, 1965; P.L. 89–236, 79 Stat. 922.

MIGRATION AND REFUGEE ASSISTANCE ACT OF 1962

AN ACT To enable the United States to participate in the assistance rendered to certain migrants and refugees

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Migration and Refugee Assistance Act of 1962".

SEC. 2. (a) The President is hereby authorized to continue membership for the United States in the Intergovernmental Committee for European Migration in accordance with its constitution approved in Venice, Italy, on October 19, 1953. For the purpose of assisting in the movement of refugees and migrants and to enhance the economic progress of the developing countries by providing for a coordinated supply of selected manpower, there are hereby authorized to be appropriated such amounts as may be necessary from time to time for the payment by the United States of its contributions to the Committee and all necessary salaries and expenses incident to United States participation in the Committee.

(b) There are hereby authorized to be appropriated such amounts as may be necessary from time to time—

(1) for contributions to the activities of the United Nations High Commissioner for Refugees for assistance to refugees under his mandate or in behalf of whom he is exercising his good offices;

(2) for assistance to or in behalf of refugees designated by the President (by class, group, or designation of their respective countries of origin or areas of residence) when the President determines that such assistance will contribute to the defense, or to the Security, or to the foreign policy interests of the United States;

(3) for assistance to or in behalf of refugees in the United States whenever the President shall determine that such assistance would be in the interest of the United States: *Provided*, That the term "refugees" as herein used means aliens who (A) because of persecution or fear of persecution on account of race, religion, or political opinion, fled from a nation or area of the Western Hemisphere; (B) cannot return thereto because of fear of persecution on account of race, religion, or political opinion; and (C) are in urgent need of assistance for the essentials of life;

(4) for assistance to State or local public agencies providing services for substantial numbers of individuals who meet the requirements of subparagraph (3) (other than clause (C) thereof) for (A) health services and educational services to such individuals, and (B) special training for employment and services related thereto;

(5) for transportation to, and resettlement in, other areas of the United States of individuals who meet the requirements of subparagraphs (3) (other than clause (C) thereof) and who, having regard for their income and other resources, need assistance in obtaining such services; and

(6) for establishment and maintenance of projects for employment or refresher professional training of individuals who meet the requirements of subparagraph (3) (other than clause (C) thereof), and, who, having regard for their income and resources,

need such employment or need assistance in obtaining such retraining.

(c) Whenever the President determines it to be important to the national interest, not exceeding $10,000,000 in any fiscal year of the funds made available for use under the Foreign Assistance Act of 1961, as amended, may be transferred to, and consolidated with, funds made available for this Act in order to meet unexpected urgent refugee and migration needs.

(d) The President shall keep the appropriate committees of Congress currently informed of the use of funds and the exercise of functions authorized in this Act.

(e) Unexpended balances of funds made available under authority of the Mutual Security Act of 1954, as amended, and of the Foreign Assistance Act of 1961, as amended, and allocated or transferred for the purposes of sections 405(a), 405(c), 405(d) and 451(c) of the Mutual Security Act of 1954, as amended, are hereby authorized to be continued available for the purposes of this section and may be consolidated with appropriations authorized by this section. Funds appropriated for the purposes of this section shall remain available until expended.

SEC. 3. (a) In carrying out the purpose of this Act, the President is authorized—

(1) to make loans, advances, and grants to, make and perform agreements and contracts with, or enter into other transactions with, any individual, corporation, or other body of persons, government or government agency, whether within or without the United States, and international and intergovernmental organizations;

(2) to accept and use money, funds, property, and services of any kind made available by gift, devise, bequest, grant, or otherwise for such purposes.

(b) Whenever the President determines is to be in furtherance of the purposes of this Act, the functions authorized under this Act may be performed without regard to such provisions of law (other than the Renegotiation Act of 1951 (65 Stat. 7), as amended, regulating the making, performance, amendment, or modification of contracts and the expenditure of funds of the United States Government as the President may specify.

SEC. 4. (a)(1) The President is authorized to designate the head of any department or agency of the United States Government, or any official thereof who is required to be appointed by the President by and with the advice and consent of the Senate, to perform any functions conferred upon the President by this Act. If the President shall so specify, any individual so designated under this subsection is authorized to redelegate to any of his subordinates any functions authorized to be performed by him under this subsection, except the function of exercising the waived authority specified in section 3(b) of this Act.

(2) Section 104(b) of the Immigration and Nationality Act (8 U.S.C. 1104(b)), is amended by inserting after the first sentence the following: "He shall be appointed by the President by and with the advice and consent of the Senate.".

(b) The President may allocate or transfer to any agency of the United States Government any part of any funds available for carrying out the purposes of this Act. Such funds shall be available for obligation and expenditures for the purposes for which authorized in accordance with authority granted in this Act or under authority governing the activities of the agencies of the United States Government to which such funds are allocated or transferred. Funds allocated or transferred pursuant to this subsection to any such agency may be established in separate appropriation accounts on the books of the Treasury.

SEC. 5. (a) Funds made available for the purposes of this Act shall be available for—

(1) compensation, allowances, and travel of personnel, including Foreign Service personnel whose services are utilized primarily for the purpose of this Act, and without regard to the provisions of any other law, for printing and binding, and for expenditures outside the United States for the procurement of supplies and services and for other administrative and operating purposes (other than compensation of personnel) without regard to such laws and regulations governing the obligation and expenditure of Government funds as may be necessary to accomplish the purposes of this Act;

(2) employment or assignment of Foreign Service Reserve officers for the duration of operations under this Act;

(3) exchange of funds without regard to section 3651 of the Revised Statutes (31 U.S.C. 543), and loss by exchanges;

(4) expenses authorized by the Foreign Services Act of 1946, as amended (22 U.S.C. 801 et seq.), not otherwise provided for;

(5) expenses authorized by the Act of August 1, 1956 (70 Stat. 890–892), as amended; and

(6) all other expenses determined by the President to be necessary to carry out the purposes of this Act.

(b) Except as may be expressly provided to the contrary in this Act, all determinations, authorizations, regulations, orders, contracts, agreements and other actions issued, undertaken, or entered into under authority of any provision of law repealed by this Act, shall continue in full force and effect until modified, revoked, or superseded under the authority of this Act.

SEC. 6. Subsections (a), (c) and (d) of section 405 of the Mutual Security Act of 1954, as amended, subsection (c) of section 451 of the said Act, and the last sentence of section 2(a) of the Act of July 14, 1960 (74 Stat. 504), are hereby repealed.

SEC. 7. Until the enactment of legislation appropriating funds for activities under this Act, such activities may be conducted with funds made available under section 451(a) of the Foreign Assistance Act of 1961, as amended.

(22 U.S.C. 2601) Enacted June 28, 1962, P.L. 87–510, 76 Stat. 121.

PARTICIPATION IN UNESCO

JOINT RESOLUTION Providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization, and authorizing an appropriation therefor

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized to accept membership for the United States in the United Nations Educational, Scientific, and Cultural Organization (hereinafter referred to as the "Organization"), the constitution of which was approved in London on November 16, 1945, by the United Nations Conference for the establishment of an Education, Scientific and Cultural Organization, and deposited in the Archives of the Government of the United Kingdom.

SEC. 2. The President by and with the consent of the Senate shall designate from time to time to attend a specified session or specified sessions of the General Conference of the Organization not to exceed five representatives of the United States and such number of alternates not to exceed five as he may determine consistent with the rules of procedure of the General Conference: *Provided*, *however*, That each such representative and each such alternate must be an American citizen. One of the representatives shall be designated as the senior representative. Such representatives and alternatives shall each be entitled to receive compensation at such rates, provided for Foreign Service officers in the schedule contained in section 867 of this title, as the President may determine, for such periods as the President may specifiy, except that no Member of the Senate or House of Representatives or officer of the United States who is designated under this section as a representative of the United States or as an alternate to attend any specified session or specified sessions of the General Conference shall be entitled to receive such compensation. Whenever a representative of the United States is elected by the General Conference to serve on the Executive Board, or is elected President of the General Conference and thus becomes an ex officio adviser to the Executive Board, under provision of article V of the constitution of the Organization, the President may extend the above provisions for compensation to such representative during periods of service in connection with the Executive Board.

SEC. 3. In fulfillment of article VII of the constitution of the Organization, the Secretary of State shall cause to be organized a National Commission on Educational, Scientific, and Cultural Corporation [1] of not to exceed one hundred members. Such Commission shall be appointed by the Secretary of State and shall consist of (a) not more than sixty representatives of principal national, voluntary organizations interested in educational, scientific, and cultural matters; and (b) not more than forty outstanding persons selected by the Secretary of State, including not more than ten persons holding office under or employed by the Government of the United States, not more than fifteen representatives of the educational, scientific, and cultural interests of State and local governments, and not more than fifteen persons chosen at large. The Secretary of State is authorized to name in the first instance fifty of the principal national voluntary organizations, each of which shall be invited to designate one representative for appointment to the National Commission. Thereafter, the National Commission shall periodically review and, if deemed advisable, revise the list of such organizations designating representatives in order to achieve a desirable rotation among organizations represented. To constitute the initial Commission, one-third of the members shall be appointed to serve for a term of one year, one-third for a term of two years, and one-third of the remainder thereof for a term of three years; from thence on following, all members shall be appointed for a term of three years each, but no member shall serve more than two consecutive terms. The National Commission shall meet at least once annually. The National Commission shall designate from among its members an executive committee, and may designate such other committees as may prove necessary, to consult with the Department of State and to perform such other functions as the National Commission shall delegate to them. No member of the National Commission shall be allowed any salary or other compensation for services: *Provided, however*, That he may be paid transportation and other expenses as authorized by section 73b–2 of title 5. The Department of State is authorized to provide the necessary secretariat for the Commission.

---

[1] So in original with U.S.C. Annotated stating "Probably should read 'Cooperation.'"

Sec. 4. That each such member of the National Commission must be an American citizen.

Sec. 5. The National Commission shall call general conferences for the discussion of matters relating to the activities of the Organization, to which conferences organized bodies actively interested in such matters shall be invited to send representatives: *Provided, however*, That the travel and maintenance of such representation shall be without expense to the Government. Such general conferences shall be held annually or biennially, as the National Commission may determine, and in such places as it may designate. They shall be attended so far as possible by the members of the National Commission and by the delegates of the United States to the General Conference of the Organization. The National Commission is further authorized to call special conferences of experts for the consideration of specific matters relating to the Organization by persons of specialized competences. The Department of State may pay their transportation and other expenses as authorized by section 73b–2 of title 5, for the period of actual attendance and of necessary travel. The National Commission is further authorized to receive and accept services and gifts or bequests of money or materials to carry out any of the educational, scientific, or cultural purposes of the National Commission as set forth in this Act and in the constitution of the Organization. Any [illegible] received shall be held by the Secretary of State and shall be subject to disbursement through the disbursement facilities of the Treasury Department as the terms of the gift or bequest may require and shall remain available for expenditure by grant or otherwise until expended: *Provided*, That no such gift or bequest may be accepted or disbursed if the terms thereof are inconsistent with the purposes of the National Commission as set forth in this Act and in the constitution of the Organization. In no event shall the National Commission accept gifts or bequests in excess of $200,000 in the aggregate in any one year. Gifts or bequests provided for herein shall, for the purpose of Federal income, estate, and gift taxes, be deemed to be a gift to or for the United States. The National Commission and Secretary of State shall submit to Congress annual reports of receipts and expenditures of funds and bequests received and disbursed pursuant to the provisions of this section.

Sec. 6. There is hereby authorized to be appropriated annually to the Department of State, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the payment by the United States of its share of the expenses of the Organization as apportioned by the General Conference of the Organization in accordance with article IX of the constitution of the Organization, and such additional sums as may be necessary to pay the expenses of participation by the United States in the activities of the Organization, including: (a) salaries of the representatives provided for in section 2 hereof, of their appropriate staffs, and of members of the secretariat of the National Commission provided for in section 3 hereof, including personal services in the District of Columbia and elsewhere, without regard to the civil-service laws and the Classification Act of 1949, as amended; (b) travel expenses without regard to the Standardized Government Travel Regulations, as amended, the Subsistence Expense Act of 1926, as amended, and section 73b of Title 5, and, under such rules and regulations as the Secretary of State may prescribe, travel expenses of families and transportation of effects of United States representatives and other personnel in going to and returning from their post of duty; (c) allowances for living quarters, including heat, fuel, and light, as authorized by section 118a of title 5; (d) cost of living allowances under such rules and regualtions as the Secretary of State may prescribe, including allowances to persons temporarily stationed abroad; (e) communication services; (f) stenographic reporting, translating, and other services, by contract, if deemed necessary without regard to section 3709 of the Revised Statutes (U.S.C., title 41, sec. 5); (g) local transportation; (h) equipment; (i) transportation of things; (j) rent of offices; (k) printing and binding without regard to section 11 of the Act of March 1, 1919 (U.S.C., title 44, sec. 111), and section 3709 of the Revised Statutes (U.S.C., title 41, sec. 5); (l) official entertainment; (m) stationery; (n) purchase of newspapers, periodicals, books, and documents; and (o) such other expenses as may be authorized by the Secretary of State.

SEC. 7. Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States approve any amendment under article XIII of the constitution of the Organization involving any new obligation for the United States.

SEC. 8. In adopting this joint resolution, it is the understanding of the Congress that the constitution of the Organization does not require, nor does this resolution authorize, the disclosure of any information or acknowledge in any case in which such disclosure is prohibited by any law of the United States.

(22 U.S.C. 287m–287t) Enacted July 30, 1946, P.L. 565, 79th Cong., 60 Stat. 712; amended Oct. 10, 1949, P.L. 341, 81st Cong., 63 Stat. 734; amended July 31, 1956, P.L. 854, 84th Cong., 70 Stat. 736; amended June 30, 1958, P.L. 85–477, 72 Stat. 271; amended Aug. 14, 1961, P.L. 87–139, 75 Stat. 341.

PART IX—EDUCATION AND TRAINING OF ADULTS

Adult Education

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1966

(P.L. 89–750)

AN ACT To strengthen and improve programs of assistance for elementary and secondary schools and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Elementary and Secondary Education Amendments of 1966".

* * * * * * *

TITLE III—ADULT EDUCATION

SHORT TITLE

Sec. 301. This title may be cited as the "Adult Education Act".

(20 U.S.C. 1201 note) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 301, 81 Stat. 1216; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 159.

STATEMENT OF PURPOSE

Sec. 302. It is the purpose of this title to expand educational opportunity and encourage the establishment of programs of adult public education that will enable all adults to continue their education to at least the level of completion of secondary school and make available the means to secure training that will enable them to become more employable, productive, and responsible citizens.

(20 U.S.C. 1201) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 302, 80 Stat. 1216; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 159.

DEFINITIONS

Sec. 303. As used in this title—

(a) The term "adult" means any individual who has attained the age of sixteen.

(b) The term "adult education" means services or instruction below the college level (as determined by the Commissioner), for adults who—

(1) do not have a certificate of graduation from a school providing secondary education and who have not achieved an equivalent level of education, and

(2) are not currently required to be enrolled in schools.

(c) The term "adult basic education" means adult education for adults whose inability to speak, read, or write the English language constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, which is designed to help eliminate such inability and raise the level of education of such individuals with a view to making them less likely to become dependent on others, to improving their ability to benefit from occupational training and otherwise increasing their opportunities for more productive and profitable employment, and to making them better able to meet their adult responsibilities.

(d) The term "Commissioner" means the Commissioner of Education.

(e) The term "community school program" is a program in which a public building, including but not limited to a public elementary or secondary school or a community or junior college, is used as a community center operated in conjunction with other groups in the community, community organizations, and local governmental agencies, to provide educational, recreational, cultural, and other related community services for the community that center serves in accordance with the needs, interests, and concerns of that community.

(f) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools, except that, if there is a separate board or other legally constituted local authority having administrative control and direction of adult education in public schools therein, such term means such other board or authority.

(g) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and (except for the purposes of section 305([illegible])) Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

(h) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or if there is a separate State agency or officer primarily responsible for supervision of adult education in public schools then such agency or officer may be designated for the purpose of this title by the Governor or by State law. If no agency or officer qualifies under the preceding sentence, such term shall mean an appropriate agency or officer designated for the purposes of this title by the Governor.

(i) The term "academic education" means the theoretical, the liberal, the speculative, and classical subject matter found to compose the curriculum of the public secondary school.

(j) The term "institution of higher education" means any such institution as defined by section 801(e) of the Elementary and Secondary Education Act of 1965.

(20 U.S.C. 1202) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 303, 80 Stat. 1216; amended Oct. 16, 1968, P.L. 90–576, Title III, sec. 302, 82 Stat. 1095; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 159; amended Aug. 21, 1974, P.L. 93–380, sec. 601, 88 Stat. 576.

GRANTS TO STATES FOR ADULT EDUCATION

Sec. 304. (a) (Repealed).

(b) The Commissioner is authorized to make grants to States, which have State plans approved by him under section 306 for the purposes of this section, to pay the Federal share of the cost of (1) the establishment or expansion of adult basic education programs to be carried out by local educational agencies and private nonprofit agencies, and (2) the establishment or expansion of adult education programs to be carried out by local educational agencies and private nonprofit agencies.

(20 U.S.C. 1203) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 304, 80 Stat. 1217; amended Jan. 2, 1968, P.L. 90–247, Title V, sec. 502(a), 81 Stat. 815; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat 160; amended August 21, 1974, P.L. 93–380, sec. 602, 88 Stat. 576.

ALLOTMENT FOR ADULT EDUCATION

Sec. 305. (a) From the sums available for purposes of section 304 (b) for the fiscal year ending June 30, 1972, and for any succeeding fiscal year. The Commissioner shall allot (1) not more than 1 per centum thereof among Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under such section, and (2) $150,000 to each State. From the remainder of such sums he shall allot to each State an amount which bears the same ratio to such remainder as the number of adults who do not have a certificate of graduation from a school providing secondary education (or its equivalent) and who are not currently required to be enrolled in schools in such State bears to the number of such adults in all States. From the sums available for purposes of section 304(b) for the fiscal year ending June 30, 1970, and the succeeding fiscal year, the Commissioner shall make allotments in accordance with section 305(a) of the Adult Education Act of 1966 as in effect on June 30, 1969.

(b) The portion of any State's allotment under section (a) for a fiscal year which the Commissioner determines will not be required, for the period such allotment is available, for carrying out the State plan approved under this title shall be available for reallotment from time to time, on such dates during such period as the Commissioner shall fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Commissioner estimates such State needs and will be able to use for such period for carrying out its State plan approved under this title, and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount allotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(20 U.S.C. 1204) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 305, 80 Stat. 1217; amended Jan. 2, 1968, P.L. 90–247, Title V, sec. 501, 81 Stat. 815; amended Apr. 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 160; amended Dec. 30, 1970, P.L. 91–600, sec. 3(a), 84 Stat. 1669; amended Aug. 21, 1974, P.L. 93–380, sec. 843(c)(3), 88 Stat. 611.

STATE PLANS

SEC. 306. (a) Any State desiring to receive its allotment of Federal funds for any grant under this title shall submit through its State educational agency a State plan. Such State plan shall be in such detail as the Commissioner deems necessary, and shall—

(1) set forth a program for the use of grants, in accordance with section 304(b), which affords assurance of substantial progress with respect to all segments of the adult population, including institutionalized persons, and all areas of the State, toward carrying out the purposes of such section, that not to exceed 20 per centum of the funds used to carry out this Act for any fiscal year may be used for the education of institutionalized persons;

(2) provide for the administration of such plan by the State educational agency;

(3) provide for cooperative arrangements between the State educational agency and the State health authority authorizing the use of such health information and services for adults as may be available from such agencies and as may reasonably be necessary to enable them to benefit from the instruction provided pursuant to this title;

(4) provide for grants to public and private nonprofit agencies for special projects, teacher-training, and research;

(5) provide for cooperation with Community Action programs, Work Experience programs, VISTA, Work Study, and other programs relating to the antipoverty effort;

(6) provide for cooperation with manpower development and training programs and occupational education programs, and for coordination of programs carried on under this title with other programs, including reading improvement programs, designed to provide reading instruction for adults carried on by State and local agencies;

(7) provide that such agency will make available not to exceed 20 per centum of the State's allotment for programs of equivalency for a certificate of graduation from a secondary school;

(8) provide that such agency will make such reports to the Commissioner, in such form and containing such information, as may reasonably be necessary to enable the Commissioner to perform his duties under this title and will keep such records and afford such access thereto as the Commissioner finds necessary to assure the correctness and verification of such reports;

(9) provide such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid the State under this title (including such funds paid by the State to local educational agencies and private nonprofit agencies);

(10) provide that special emphasis be given to adult basic education programs except where such needs can be shown to have been met in the State;

(11) provide that special assistance be given to the needs of persons of limited English-speaking ability (as defined in section 703(a) of title VII of the Elementary and Secondary Education Act of 1965), by providing bilingual adult education programs in which instruction is given in English and, to the extent neces-

sary to allow such persons to progress effectively through the adult education program, in the native language of such persons, carried out in coordination with programs of bilingual education assisted under such title VII and bilingual vocational education programs under the Vocational Education Act of 1963; and

(12) provide such further information and assurances as the Commissioner may by regulation require.

(b) The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

(20 U.S.C. 1205) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 306, 80 Stat. 1218; amended Jan. 2, 1968, P.L. 90–247, Title V, sec. 502(b), 81 Stat. 815; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 161; amended August 21, 1974, P.L. 93–380, sec. 603, 88 Stat. 576, amended August 21, 1974, P.L. 93–380, sec. 607(a), 88 Stat. 578.

PAYMENTS

SEC. 307. (a) Except as provided in subsection (b), the Federal share of expenditures to carry out a State plan shall be paid from a State's allotment available for grants to such State. The Federal share for each State shall be 90 per centum, except that with respect to the Trust Territory of the Pacific Islands, such Federal share shall be 100 per centum.

(b) No payment shall be made to any State from its allotment for any fiscal year unless the Commissioner finds that the amount available for expenditure by such State for adult education from non-Federal sources for such year will be not less than the amount expended for such purposes from such sources during the preceding fiscal year, but no State shall be required to use its funds to supplant any portion of the Federal share.

(20 U.S.C. 1206) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 307, 80 Stat. 1219, amended Jan. 2, 1968, P.L. 90–247, Title III, sec. 503, 81 Stat. 815; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 162.

OPERATION OF STATE PLANS; HEARINGS AND JUDICIAL REVIEW

SEC. 308. (a) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State educational agency administering a State plan approved under this title, finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of section 306, or

(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State agency that no further payments will be made to the State under this title (or, in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this title (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

(b) A State educational agency dissatisfied with a final action of the Commissioner under section 306 or subsection (a) of this section may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Commissioner may modify or set aside his order. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or part, any action of the Commissioner shall be final, subject to the review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

(20 U.S.C. 1207) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 308, 80 Stat. 1219; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 162.

USE OF FUNDS FOR SPECIAL EXPERIMENTAL DEMONSTRATION PROJECTS AND TEACHER TRAINING

Sec. 309. Of the funds allotted to a State under section 305 for a fiscal year, not less than 15 per centum shall be used for—

(1) special projects which will be carried out in furtherance of the purposes of this title, and which—

(A) involve the use of innovative methods, including methods for educating persons of limited English-speaking ability, systems, materials, or programs which may have national significance or be of special value in promoting effective programs under this title, or

(B) involve programs of adult education, including education for persons of limited English-speaking ability, which are part of community school programs, carried out in cooperation with other Federal, federally assisted, State, or local programs which have unusual promise in promoting a comprehensive or coordinated approach to the problems of persons with educational deficiencies; and

(2) training persons engaged, or preparing to engage, as personnel in programs designed to carry out the purposes of this title.

(20 U.S.C. 1208) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 309, 80 Stat. 1220; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 163; amended August 21, 1974, P.L. 93–380, sec. 604, 88 Stat. 577.

CLEARINGHOUSE ON ADULT EDUCATION

SEC. 309A. The Commissioner shall establish and operate a clearinghouse on adult education, which shall collect and disseminate to the public information pertaining to the education of adults and adult education programs, together with ways of coordinating adult education programs with manpower and other education programs. The Commissioner is authorized to enter into contracts with public agencies or private organizations to operate the clearinghouse established or designated under this section.

(20 U.S.C. 1208–1) Enacted August 21, 1974, P.L. 93–380, sec. 605, 88 Stat. 577.

SPECIAL PROJECTS FOR THE ELDERLY

SEC. 310. (a) The Commissioner is authorized to make grants to State and local educational agencies or other public or private nonprofit agencies for programs to further the purpose of this Act by providing educational programs for elderly persons whose ability to speak and read the English language is limited and who live in an area with a culture different than their own. Such programs shall be designed to equip such elderly persons to deal successfully with the practical problems in their everyday life, including the making of purchases, meeting their transportation and housing needs, and complying with governmental requirements such as those for obtaining citizenship, public assistance and social security benefits, and housing.

(b) For the purpose of making grants under this section there are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1973, and each succeeding fiscal year ending prior to July 1, 1975.

(c) In carrying out the program authorized by this section, the Commissioner shall consult with the Commissioner of the Administration on Aging for the purpose of coordinating, where practicable, the programs assisted under this section with the programs assisted under the Older Americans Act of 1965.

(20 U.S.C. 1208a) Enacted May 3, 1973, P.L. 93–29, sec. 804(a), 87 Stat. 59, 60.

STATE ADVISORY COUNCILS

SEC. 310A. (a) Any State which receives assistance under this title may establish and maintain a State advisory council, or may designate and maintain an existing State advisory council, which shall be, or has been, appointed by the Governor or, in the case of a State in which members of the State board which governs the State education agency are elected (including election by the State legislature), by such board.

(b)(1) Such a State advisory council shall include as members persons who, by reason of experience or training, are knowledgeable in the field of adult education or who are officials of the State educational agency or of local educational agencies of that State, persons who are or have received adult educational services, and persons who are representative of the general public.

(2) Such a State advisory council, in accordance with regulations prescribed by the Commissioner, shall—

(A) advise the State educational agency on the development of, and policy matters arising in, the administration of the State plan approval pursuant to section 306;

(B) advise with respect to long-range planning and studies to evaluate adult education programs, services, and activities assisted under this Act; and

(C) prepare and submit to the State educational agency, and to the National Advisory Council for Adult Education established pursuant to section 310, an annual report of its recommendations, accompanied by such additional comments of the State educational agency as that agency deems appropriate.

(c) Upon the appointment of any such advisory council, the appointing authority under subsection (a) of this section shall inform the Commissioner of the establishment of, and membership of, its State advisory council. The Commissioner shall, upon receiving such information, certify that each such council is in compliance with the membership requirements set forth in subsection (b)(1) of this section.

(d) Each such State advisory council shall meet within thirty days after certification has been accepted by the Commissioner under subsection (c) of this section and select from among its membership a chairman. The time, place, and manner of subsequent meetings shall be provided by the rules of the State advisory council, except that such rules shall provide that each such council meet at least four times each year, including at least one public meeting at which the public is given the opportunity to express views concerning adult education.

(e) Each such State advisory council is authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this section.

(20 U.S.C. 1208b) Enacted August 21, 1974, P.L. 93-380, sec. 606, 88 Stat. 577, 578.

NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION

SEC. 311. (a) The President shall appoint a National Advisory Council on Adult Education (hereinafter in this section referred to as the "Council").

(b) The Council shall consist of fifteen members who shall, to the extent possible, include persons knowledgeable in the field of adult education including education for persons of limited English-speaking ability in which instruction is given in English and, to the extent necessary to allow such persons to progress effectively through the adult education program, in the native language of such persons, State and local public school officials, and other persons having special knowledge and experience, or qualifications with respect to adult education, and persons representative of the general public. The Council shall meet initially at the call of the Commissioner and elect from its number a chairman. The Council will thereafter meet at the call of the chairman, but not less often than twice a year. Subject to section 448(b) of the General Education Provisions Act, the Council shall continue to exist until July 1, 1978.

(c) The Council shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including policies and procedures governing the approval of State plans under section 306 and policies to eliminate duplication, and to effectuate the coordination of programs under this title and other programs offering adult education activities and services.

(d) The Council shall review the administration and effectiveness of programs under this title, make recommendations with respect thereto, and make annual reports to the President of its findings and recommendations (including recommendations for changes in this title and other Federal laws relating to adult education activities and services). The President shall transmit each such report to the Congress together with his comments and recommendations. The Secretary of Health, Education, and Welfare shall coordinate the work of the Council with that of other related advisory councils.

(20 U.S.C. 1209) Enacted Nov. 3, 1966, P.L. 89-750, Title III, sec. 310, 80 Stat. 1220; amended April 13, 1970, P.L. 91-230, sec. 301, 84 Stat. 163; redesignated May 3, 1973, P.L. 93-29, sec. 804(a), 87 Stat. 59, 60.

LIMITATION

SEC. 312. No grant may be made under this title for any educational program, activity, or service related to sectarian instruction or religious worship, or provided by a school or department of divinity. For purposes of this section, the term "school or department of divinity" means an institution or a department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation, or to prepare them to teach theological subjects.

(20 U.S.C. 1210) Enacted Nov. 3, 1966, P.L. 89-750, Title III, sec. 311, formerly sec. 313, 80 Stat. 1222; redesignated April 13, 1970, P.L. 91-230, Title III, sec. 301, 84 Stat. 164; redesignated May 3, 1973, P.L. 93-29, sec. 804(a), 87 Stat. 59, 60.

APPROPRIATIONS AUTHORIZED

SEC. 313. (a) There are authorized to be appropriated $160,000,000 for the fiscal year ending June 30, 1970, $200,000,000 for the fiscal year ending June 30, 1971, $225,000,000 for each of the fiscal years ending June 30, 1972, and June 30, 1973, $150,000,000 for each of the fiscal years ending June 30, 1974, and June 30, 1975, $175,000,000 for the fiscal year ending June 30, 1976, and $200,000,000 for each of the fiscal years ending June 30, 1977, and June 30, 1978: *Provided*, That, effective with respect to fiscal years after June 30, 1974, grants to each State under section 305 shall not be less than 90 per centum of the grants made to such State agencies in fiscal year 1973 for the purposes of this title (other than sections 310 and 314).

(b) There are further authorized to be appropriated for each such fiscal year such sums, not to exceed 5 per centum of the amount appropriated pursuant to subsection (a) of such year, as may be necessary to pay the cost of the administration and development of State plans, and other activities required pursuant to this title. For the fiscal year ending June 30, 1970, and the succeeding fiscal year, nothing in this subsection shall be construed to prohibit the use of any amounts appropriated pursuant to this Act to pay such costs, subject to such limitations as the Commissioner may prescribe.

(20 U.S.C. 1211) Enacted Nov. 3, 1966, P.L. 89-750, Title III, sec. 312, formerly sec. 314, 80 Stat. 1222; amended Jan. 2, 1968, P.L. 90-247, Title V, sec. 504, 81 Stat. 815; redesignated and amended April 13, 1970, P.L. 91-230, Title III, sec. 301, 84 Stat. 164; amended Dec. 30, 1970, P.L. 91-600, sec. 3(b), 84 Stat. 1669; redesignated May 3, 1973, P.L. 93-29, sec. 804(a), 87 Stat. 59, 60; amended Aug. 21, 1974, P.L. 93-380 sec. 608, 88 Stat. 579.

IMPROVEMENT OF EDUCATIONAL OPPORTUNITIES FOR ADULT INDIANS

SEC. 314. (a) The Commissioner shall carry out a program of making grants to State and local educational agencies, and to Indian tribes, institutions, and organizations, to support planning, pilot, and demonstration projects which are designed to plan for, and test and demonstrate the effectiveness of, programs for providing adult education for Indians—

(1) to support planning, pilot, and demonstration projects which are designed to test and demonstrate the effectiveness of programs for improving employment and educational opportunities for adult Indians;

(2) to assist in the establishment and operation of programs which are designed to stimulate (A) the provision of basic literacy opportunities to all nonliterate Indian adults, and (B) the provision of opportunities to all Indian adults to qualify for a high school equivalency certificate in the shortest period of time feasible;

(3) to support a major research and development program to develop more innovative and effective techniques for achieving the literacy and high school equivalency goals;

(4) to provide for basic surveys and evaluations thereof to define accurately the extent of the problems of illiteracy and lack of high school completion on Indian reservations;

(5) to encourage the dissemination of information and materials relating to, and the evaluation of the effectiveness of, education programs which may offer educational opportunities to Indian adults.

(b) The Commissioner is also authorized to make grants to, and contracts with, public agencies, and institutions, and Indian tribes, institutions, and organizations for—

(1) the dissemination of information concerning educational programs, services, and resources available to Indian adults, including evaluations thereof; and

(2) the evaluation of the effectiveness of federally assisted programs in which Indian adults may participate in achieving the purposes of such programs with respect to such adults.

(c) Applications for a grant under this section shall be submitted at such time, in such manner, and contain such information, and shall be consistent with such criteria, as may be established as requirements in regulations promulgated by the Commissioner. Such applications shall—

(1) set forth a statement describing the activities for which assistance is sought;

(2) provide for an evaluation of the effectiveness of the project in achieving its purposes and those of this section.

The Commissioner shall not approve an application for a grant under subsection (a) unless he is satisfied that such application, and any documents submitted with respect thereto, indicate that there has been adequate participation by the individuals to be served and tribal communities in the planning and development of the project, and that there will be such a participation in the operation and evaluation of the project. In approving applications under subsection (a), the Commissioner shall give priority to applications from Indian educational agencies, organizations, and institutions.

(d) For the purpose of making grants under this section there are hereby authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1973, and $8,000,000 for each of the succeeding fiscal years ending prior to July 1, 1978.

(20 U.S.C. 1211a) Enacted June 23, 1972, P.L. 92–318, sec. 431, 86 Stat. 342, 343; amended August 21, 1974, P.L. 93–380, sec. 608, 88 Stat. 579.

EDUCATIONAL TELEVISION

EDUCATIONAL TELEVISION BROADCASTING FACILITIES

An ACT To amend the Communications Act of 1934 to establish a program of Federal matching grants for the construction of television broadcasting facilities to be used for educational purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title III of the Communications Act of 1934 is amended by adding at the end thereof the following new part:

PART IV—GRANTS FOR NONCOMMERCIAL EDUCATIONAL BROADCASTING FACILITIES; CORPORATION FOR PUBLIC BROADCASTING

SUBPART A—GRANTS FOR FACILITIES

DECLARATION OF PURPOSE

SEC. 390. The purpose of this subpart is to assist (through matching grants) in the construction of noncommercial educational television or radio broadcasting facilities.

(47 U.S.C. 390) Enacted May 1, 1962, P.L. 87–447, 76 Stat. 64; amended Nov. 7, 1967, P.L. 90–129, secs. 103(a), 201(1), 81 Stat. 365, 367.

AUTHORIZATION OF APPROPRIATIONS

SEC. 391. There are authorized to be appropriated for the fiscal year ending June 30, 1974, and for the succeeding fiscal year such sums not to exceed $25,000,000 for the fiscal year ending June 30, 1974, and $30,000,000 for the succeeding fiscal year, as may be necessary to carry out the purposes of section 390. Sums appropriated under this section for any fiscal year shall remain available for payment of grants for projects for which applications approved under section

392, have been submitted under such section prior to the end of the succeeding fiscal year.

(47 U.S.C. 391) Enacted May 1, 1962 P.L. 87-447, 76 Stat. 65; amended Nov. 7, 1967, P.L. 90-129, sec. 101, 81 Stat. 365, amended Oct. 27, 1969, P.L. 91-97, sec. 2(a), (b), 83 Stat. 146; amended August 6, 1973, P.L. 93-84, sec. 1, 87 Stat. 219.

GRANTS FOR CONSTRUCTION

SEC. 392. (a) For each project for the construction of noncommercial educational television or radio broadcasting facilities there shall be submitted to the Secretary an application for a grant containing such information with respect to such project as the Secretary may by regulation require, including the total cost of such project and the amount of the Federal grant requested for such project, and providing assurance satisfactory to the Secretary—

(1) that the applicant is (A) an agency or officer responsible for the supervision of public elementary or secondary education or public higher education within that State, or within a political subdivision thereof, (B) in the case of a project for television facilities, the State noncommercial educational television agency or, in the case of a project for radio facilities, the State educational radio agency, (C) a college or university deriving its support in whole or in part from tax revenues, (D)(i) in the case of a project for television facilities, a nonprofit foundation, corporation, or association which is organized primarily to engage in or encourage noncommercial educational television broadcasting and is eligible to receive a license from the Federal Communications Commission for a noncommercial educational television broadcasting station pursuant to the rules and regulations of the Commission in effect on April 12, 1962, or (ii) in the case of a project for radio facilities, a nonprofit foundation, corporation, or association which is organized primarily to engage in or encourage noncommercial educational radio broadcasting and is eligible to receive a license from the Federal Communications Commission; or meets the requirements of clause (i) and is also organized to engage in or encourage such radio broadcasting and is eligible for such a license for such a radio station, or (E) a municipality which owns and operates a broadcasting facility transmitting only noncommercial programs;

(2) that the operation of such educational broadcasting facilities will be under the control of the applicant or a person qualified under paragraph (1) to be such an applicant;

(3) that necessary funds to construct, operate, and maintain such educational broadcasting facilities will be available when needed;

(4) that such broadcasting facilities will be used only for educational purposes; and

(5) that, in the case of an application with respect to radio broadcasting facilities, there has been comprehensive planning for educational broadcasting facilities and services in the area the applicant proposes to serve and the applicant has participated in such planning, and the applicant will make the most efficient use of the frequency assignment.

(b) The total of the grants made under this part from the appropriation for any fiscal year for the construction of noncommercial educational television broadcasting facilities and noncommercial educational radio broadcasting facilities in any State may not exceed 8½ per centum of such appropriation.

(c)(1) In order to assure proper coordination of construction of noncommercial educational television broadcasting facilities within each State which has established a State educational television agency, each applicant for a grant under this section for a project for construction of such facilities in such State, other than such agency, shall notify such agency of each application for such a grant which is submitted by it to the Secretary, and the Secretary shall advise such agency with respect to the disposition of each such application.

(2) In order to assure proper coordination of construction of noncommercial educational radio broadcasting facilities within each State which has established a State educational radio agency, each applicant for a grant under this section for a project for construction of such facilities in such State, other than such agency, shall notify such agency of each application for such a grant which is submitted by it to the Secretary, and the Secretary shall advise such agency with respect to the disposition of each such application.

(d) The Secretary shall base his determinations of whether to approve applications for grants under this section and the amount of such grants on criteria set forth in regulations and designed to achieve (1) prompt and effective use of all noncommercial educational television channels remaining available, (2) equitable geographical distribution of noncommercial educational television broadcasting facilities or noncommercial educational radio broadcasting facilities, as the case may be, throughout the States, and (3) provision of noncommercial educational television broadcasting facilities or noncommercial educational radio broadcasting facilities, as the case may be, which will serve the greatest number of persons and serve them in as many areas as possible, and which are adaptable to the broadest educational uses.

(e) Upon approving any application under this section with respect to any project, the Secretary shall make a grant to the applicant in the amount determined by him, but not exceeding 75 per centum of the amount determined by the Secretary to be the reasonable and necessary cost of such project. The Secretary shall pay such amount from the sum available therefor, in advance or by way of reimbursement, and in such installments consistent with construction progress, as he may determine.

(f) If, within ten years after completion of any project for construction of educational television or radio broadcasting facilities with respect to which a grant has been made under this section—

(1) the applicant or other owner of such facilities ceases to be an agency, officer, institution, foundation, corporation, or association described in subsection (a)(1), or

(2) such facilities cease to be used for noncommercial educational television purposes or noncommercial educational radio purposes, as the case may be (unless the Secretary determines, in

accordance with regulations, that there is good cause for releasing applicant or other owner from the obligation so to do),

the United States shall be entitled to recover from the applicant or other owner of such facilities the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facilities are situated) of such facilities, as the amount of the Federal participation bore to the cost of construction of such facilities.

(47 U.S.C. 392) Enacted May 1, 1962, P.L. 87-447, 76 Stat. 65; amended Nov. 7, 1967, P.L. 90-129, secs. 102, 103 (b), (c), (d), (e), 104, 81 Stat. 365-367.

RECORDS

SEC. 393. (a) Each recipient of assistance under this subpart shall keep such records as may be reasonably necessary to enable the Secretary to carry out his functions under this subpart, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this subpart.

(47 U.S.C. 393) Enacted May 1, 1962, P.L. 87-477, 76 Stat. 66; amended Nov. 7, 1967, P.L. 90-129, sec. 201(2), 81 Stat. 367.

RULES AND REGULATIONS

SEC. 394. The Secretary is authorized to make such rules and regulations as may be necessary to carry out this subpart, including regulations relating to the order of priority in approving applications for projects under section 392 or to determining the amounts of grants for such projects.

(47 U.S.C. 394) Enacted May 1, 1962, P.L. 87-447 as sec. 396; redesignated sec. 394 and amended Nov. 7, 1967 by P.L. 87-447, sec. 201(2), (4), 81 Stat. 367.

PROVISION OF ASSISTANCE BY FEDERAL COMMUNICATIONS COMMISSION

SEC. 395. The Federal Communications Commission is authorized to provide such assistance in carrying out the provisions of this subpart as may be requested by the Secretary. The Secretary shall provide for consultation and close cooperation with the Federal Communications Commission in the administration of his functions under this subpart which are of interest to or affect the functions of the Commission.

(47 U.S.C. 395) Enacted May 1, 1962, P.L. 87-447, 76 Stat. 67; amended Nov. 7, 1967, P.L. 87-447, sec. 201(2), 81 Stat. 367.

Subpart B—Corporation for Public Broadcasting

CONGRESSIONAL DECLARATION OF POLICY

Sec. 396. (a) The Congress hereby finds and declares—

(1) that it is in the public interest to encourage the growth and development of noncommercial educational radio and television broadcasting, including the use of such media for instructional purposes;

(2) that expansion and development of noncommercial educational radio and television broadcasting and of diversity of its programing depend on freedom, imagination, and initiative on both the local and national levels;

(3) that the encouragement and support of noncommercial educational radio and television broadcasting, while matters of importance for private and local development, are also of appropriate and important concern to the Federal Government;

(4) that it furthers the general welfare to encourage noncommercial educational radio and television broadcast programing which will be responsive to the interests of people both in particular localities and throughout the United States, and which will constitute an expression of diversity and excellence;

(5) that it is necessary and appropriate for the Federal Government to complement, assist, and support a national policy that will most effectively make noncommercial educational radio and television service available to all the citizens of the United States;

(6) that a private corporation should be created to facilitate the development of educational radio and television broadcasting and to afford maximum protection to such broadcasting from extraneous interference and control.

CORPORATION ESTABLISHED

(b) There is authorized to be established a nonprofit corporation, to be known as the "Corporation for Public Broadcasting", which will not be an agency or establishment of the United States Government. The Corporation shall be subject to the provisions of this section, and, to the extent consistent with this section, to the District of Columbia Nonprofit Corporation Act.

BOARD OF DIRECTORS

(c)(1) The Corporation shall have a Board of Directors (hereinafter in this section referred to as the "Board"), consisting of fifteen members appointed by the President, by and with the advice and consent of the Senate. Not more than eight members of the Board may be members of the same political party.

(2) The members of the Board (A) shall be selected from among citizens of the United States (not regular full-time employees of the United States) who are eminent in such fields as education, cultural and civic affairs, or the arts, including radio and television; (B) shall

be selected so as to provide as nearly as practicable a broad representation of various regions of the country, various professions and occupations, and various kinds of talent and experience appropriate to the functions and responsibilities of the Corporation.

(3) The members of the initial Board of Directors shall serve as incorporators and shall take whatever actions are necessary to establish the Corporation under the District of Columbia Nonprofit Corporation Act.

(4) The term of office of each member of the Board shall be six years; except that (A) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (B) the terms of office of members first taking office shall begin on the date of incorporation and shall expire, as designated at the time of their appointment, five at the end of two years, five at the end of four years, and five at the end of six years. No member shall be eligible to serve in excess of two consecutive terms of six years each. Notwithstanding the preceding provisions of this paragraph, a member whose term has expired may serve until his successor has qualified.

(5) Any vacancy in the Board shall not affect its power, but shall be filled in the manner in which the original appointments were made.

ELECTION OF CHAIRMAN; COMPENSATION

(d)(1) The President shall designate one of the members first appointed to the Board as Chairman; thereafter the members of the Board shall annually elect one of their number as Chairman. The members of the Board shall also elect one or more of them as a Vice Chairman or Vice Chairmen.

(2) The members of the Board shall not, by reason of such membership, be deemed to be employees of the United States. They shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Board pursuant to this subpart be entitled to receive compensation at the rate of $100 per day including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

OFFICERS AND EMPLOYEES

(e)(1) The Corporation shall have a President, and such other officers as may be named and appointed by the Board for terms and at rates of compensation fixed by the Board. No individual other than a citizen of the United States may be an officer of the Corporation. No officer of the Corporation, other than the Chairman and any Vice Chairman, may receive any salary or other compensation from any source other than the Corporation during the period of his employment by the Corporation. All officers shall serve at the pleasure of the Board.

(2) Except as provided in the second sentence of subsection (c)(1) of this section, no political test or qualification shall be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, and employees of the Corporation.

NONPROFIT AND NONPOLITICAL NATURE OF THE CORPORATION

(f)(1) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

(3) The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

PURPOSES AND ACTIVITIES OF THE CORPORATION

(g)(1) In order to achieve the objectives and to carry out the purposes of this subpart, as set out in subsection (a), the Corporation is authorized to—

(A) facilitate the full development of educational broadcasting in which programs of high quality, obtained from diverse sources, will be made available to noncommercial educational television or radio broadcast stations, with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature;

(B) assist in the establishment and development of one or more systems of interconnection to be used for the distribution of educational television or radio programs so that all noncommercial educational television or radio broadcast stations that wish to may broadcast the programs at times chosen by the stations;

(C) assist in the establishment and development of one or more systems of noncommercial educational television or radio broadcast stations throughout the United States;

(D) carry out its purposes and functions and engage in its activities in ways that will most effectively assure the maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities.

(2) Included in the activities of the Corporation authorized for accomplishment of the purposes set forth in subsection (a) of this section, are, among others not specifically named—

(A) to obtain grants from and to make contracts with individuals and with private, State, and Federal agencies, organizations, and institutions;

(B) to contract with or make grants to program production entities, individuals, and selected noncommercial educational broadcast stations for the production of, and otherwise to procure, educational television or radio programs for national or regional distribution to noncommercial educational broadcast stations;

(C) to make payments to existing and new noncommercial educational broadcast stations to aid in financing local educational television or radio programing costs of such stations, particularly innovative approaches thereto, and other costs of operation of such stations;

(D) to establish and maintain a library and archives of noncommercial educational television or radio programs and related materials and develop public awareness of and disseminate information about noncommercial educational television or radio broadcasting by various means, including the publication of a journal;

(E) to arrange, by grant or contract with appropriate public or private agencies, organizations, or institutions, for interconnection facilities suitable for distribution and transmission of educational television or radio programs to noncommercial educational broadcast stations;

(F) to hire or accept the voluntary services of consultants, experts, advisory boards, and panels to aid the Corporation in carrying out the purposes of this section;

(G) to encourage the creation of new noncommercial educational broadcast stations in order to enhance such service on a local, State, regional, and national basis;

(H) conduct (directly or through grants or contracts) research, demonstrations, or training in matters related to noncommercial educational television or radio broadcasting.

(3) To carry out the foregoing purposes and engage in the foregoing activities, the Corporation shall have the usual powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act, except that the Corporation may not own or operate any television or radio broadcast station, system, or network, community antenna television system, or interconnection or program production facility.

AUTHORIZATION FOR FREE OR REDUCED RATE INTERCONNECTION SERVICE

(h) Nothing in the Communications Act of 1934, as amended, or in any other provision of law shall be construed to prevent United States communications common carriers from rendering free or reduced rate communications interconnection services for noncommercial educational television or radio services, subject to such rules and regulations as the Federal Communications Commission may prescribe.

REPORT TO CONGRESS

(i) The Corporation shall submit an annual report for the preceding fiscal year ending June 30 to the President for transmittal to the Congress on or before the 31st day of December of each year. The report shall include a comprehensive and detailed report of the Corporation's operations, activities, financial condition, and accomplishments under this section and may include such recommendations as the Corporation deems appropriate.

RIGHT TO REPEAL, ALTER, OR AMEND

(j) The right to repeal, alter, or amend this section at any time is expressly reserved.

FINANCING

(k)(1) There is authorized to be appropriated for expenses of the Corporation $50,000,000 for the fiscal year ending June 30, 1974, and $60,000,000 for the fiscal year ending June 30, 1975.

(2) In addition to the sums authorized to be appropriated by paragraph (1) of this subsection, there are authorized to be appropriated for payment to the Corporation for each fiscal year during the period July 1, 1970, to June 30, 1975, amounts equal to the amount of total grants, donations, bequests, or other contributions (including money and the fair market value of any property) from non-Federal sources received by the Corporation under subsection (g)(2)(A) of this section during such fiscal year; except that the amount appropriated pursuant to this paragraph for any fiscal year may not exceed $5,000,000.

RECORDS AND AUDIT

(l)(1)(A) The accounts of the Corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents and custodians shall be afforded to such person or persons.

(B) The report of each such independent audit shall be included in the annual report required by subsection (i) of this section. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Corporation's assets and liabilities, surplus or deficit, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the Corporation's income and expenses during the year, and a statement of the sources and application of funds, together with the independent auditor's opinion of those statements.

(2)(A) The financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. Any such audit shall be conducted at the place or places where accounts of the Corporation are normally kept. The representative of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation pertaining to its financial transactions and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers and property of the Corporation shall remain in possession and custody of the Corporation.

(B) A report of each such audit shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform Congress of the financial operations and condition of the Corporation, together with such recommendations with respect thereto as he may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President, to the Secretary, and to the Corporation at the time submitted to the Congress.

(3)(A) Each recipient of assistance by grant or contract, other than a fixed price contract awarded pursuant to competitive bidding procedures, under this section shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(B) The Corporation or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this section. The Comptroller General of the United States or any of his duly authorized representatives shall also have access thereto for such purpose during any fiscal year for which Federal funds are available to the Corporation.

(47 U.S.C. 396) Enacted Nov. 7, 1967, P.L. 90-129, sec. 201(9), 81 Stat. 368–373; amended Oct. 27, 1969, P.L. 91-97, sec. 3 (a), (b), 83 Stat. 146.

SUBPART C—GENERAL

DEFINITIONS

SEC. 397. For the purposes of this part—

(1) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(2) The term "construction," as applied to educational television broadcasting facilities or educational radio broadcasting facilities means the acquisition and installation of transmission apparatus (including towers, microwave equipment, boosters, translators, repeaters, mobile equipment, and video-recording equipment) necessary for television broadcasting or radio broadcasting, as the case may be, including apparatus which may incidentally be used for transmitting closed circuit television programs, but does not include the construction or repair of structures to house such apparatus. In the case of apparatus the acquisition and installation of which is so included, such term also includes planning therefor.

(3) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(4) The terms "State educational television agency" and "State educational radio agency" mean, with respect to television broadcasting and radio broadcasting, respectively, (A) a board or commission

established by State law for the purpose of promoting such broadcasting within a State, (B) a board or commission appointed by the Governor of a State for such purpose if such appointment is not inconsistent with State law, or (C) a State officer or agency responsible for the supervision of public elementary or secondary education or public higher education within the State which has been designated by the Governor to assume responsibility for the promotion of such broadcasting; and, in the case of the District of Columbia, the term "Governor" means the Board of Commissioners of the District of Columbia, and, in the case of the Trust Territory of the Pacific Islands, means the High Commissioner thereof.

(5) The term "nonprofit" as applied to any foundation, corporation, or association, means a foundation, corporation, or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(6) The term "Corporation" means the Corporation authorized to be established by subpart B of this part.

(7) The term "noncommercial educational broadcast station" means a television or radio broadcast station, which (A) under the rules and regulations of the Federal Communications Commission in effect on the date of enactment of the Public Broadcasting Act of 1967, is eligible to be licensed or is licensed by the Commission as a noncommercial educational radio or television broadcast station and which is owned and operated by a public agency or nonprofit private foundation, corporation, or association or (B) is owned and operated by a municipality and which transmits only noncommercial programs for educational purposes.

(8) The term "interconnection" means the use of microwave equipment, boosters, translators, repeaters, communication space satellites, or other apparatus or equipment for the transmission and distribution of television or radio programs to noncommercial educational television or radio broadcast stations.

(9) The term "educational television or radio programs" means programs which are primarily designed for educational or cultural purposes.

(47 U.S.C. 397) Enacted May 1, 1962, P.L. 87–447, 76 Stat. 67 as sec. 394; redesignated sec. 397 and amended Nov. 7, 1967 by P.L 90–129, secs. 103(f), 105, 106, 201 (3), (6), 81 Stat. 366–368.

FEDERAL INTERFERENCE OR CONTROL PROHIBITED

SEC. 398. Nothing contained in this part shall be deemed (1) to amend any other provision of, or requirement under this Act; or (2) to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over educational television or radio broadcasting, or over the Corporation or any of its grantees or contractors, or over the charter or bylaws of the Corporation, or over the curriculum, program of instruction, or personnel of any educational institution, school system, or educational broadcasting station or system.

(47 U.S.C. 398) Enacted May 1, 1962, P.L. 87–447, 76 Stat. 67 as sec. 394; redesignated sec. 398 and amended Nov. 7, 1967, by P.L. 90–129, secs. 103(g), 202 (3), (5), 81 Stat. 367, 368.

EDITORIALIZING AND SUPPORT OF POLITICAL CANDIDATES PROHIBITED; RECORDINGS OF CERTAIN PROGRAMS

SEC. 399. (a) No noncommercial educational broadcasting station may engage in editorializing or may support or oppose any candidate for political office.

(b)(1) Except as provided in paragraph (2), each licensee which receives assistance under this part after the date of the enactment of this subsection shall retain an audio recording of each of its broadcasts of any program in which any issue of public importance is discussed. Each such recording shall be retained for the sixty-day period beginning on the date on which the licensee broadcasts such program.

(2) The requirements of paragraph (1) shall not apply with respect to a licensee's broadcast of a program if an entity designated by the licensee retains an audio recording of each of the licensee's broadcasts of such a program for the period prescribed by paragraph (1).

(3) Each licensee and entity designated by a licensee under paragraph (2) which retains a recording under paragraph (1) or (2) shall, in the period during which such recording is required under such paragraph to be retained, make a copy of such recording available—

(A) to the Commission upon its request, and

(B) to any other person upon payment to the licensee or designated entity (as the case may be) of its reasonable cost of making such copy.

(4) The Commission shall by rule prescribe—

(A) the manner in which recordings required by this subsection shall be kept, and

(B) the conditions under which they shall be available to persons other than the Commission,

giving due regard to the goals of eliminating unnecessary expense and effort and minimizing administrative burdens.

(47 U.S.C. 399) Enacted Nov. 7, 1967, P.L. 90–129, sec. 201(8), 81 Stat. 368; amended August 6, 1973, P.L. 93–84, sec. 2, 87 Stat. 220.

PART X—EDUCATION AND TRAINING OF THE HANDICAPPED

EDUCATION OF THE HANDICAPPED ACT[1]

PART A—GENERAL PROVISIONS

SHORT TITLE

SEC. 601. This title may be cited as the "Education of the Handicapped Act".

DEFINITION

SEC. 602. As used in this title—

(1) The term "handicapped children" means mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education and related services.

(2) The term "Commissioner" means the Commissioner of Education.

(3) The term "Advisory Committee" means the National Advisory Committee on Handicapped Children.

(4) The term "construction", except where otherwise specified, means (A) erection of new or expansion of existing structures, and the acquisition and installation of equipment therefor; or (B) acquisition of existing structures not owned by any agency or institution making application for assistance under this title; or (C) remodeling or alteration (including the acquisition, installation, modernization, or replacement of equipment) of existing structures; or (D) acquisition of land in connection with the activities in clauses (A), (B), and (C); or (E) a combination of any two or more of the foregoing.

(5) The term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

(6) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands.

---

[1] Public Law 89-750 amended the Elementary and Secondary Education Act of 1965 by adding a new title VI; effective July 1, 1971, this act (P.L. 91-230) replaces title VI. Also as of July 1, 1971, the Education of the Handicapped Act will supersede the following: P.L. 90-538, Handicapped Children's Early Education Assistance Act; P.L. 85-926, Grants for Teaching in the Education of Handicapped Children; P.L. 88-164, titles III and V of the Mental Retardation Facilities and Community Mental Centers Construction Act of 1963; and P.L. 85-905, Instructional Media for Handicapped Children.

(7) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(8) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(9) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(10) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(11) The term "institution of higher education" means an educational institution in any State which—

(A) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(B) is legally authorized within such State to provide a program of education beyond high school;

(C) provides an educational program for which it awards a bachelor's degree, or provides not less than a two-year program which is acceptable for full credit toward such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

(D) is a public or other nonprofit institution; and

(E) is accredited by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited: *Provided, however*, That in the case of an institution offering a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit such institutions, he shall appoint an advisory committee, composed of persons specially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope, and quality which must be met in order to qualify such institutions to participate under this Act and shall also determine whether particular institutions meet such standards. For the purposes of this paragraph the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered.

(12) The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(13) The term "research and related purposes" means research, research training (including the payment of stipends and allowances), surveys, or demonstrations in the field of education of handicapped children, or the dissemination of information derived therefrom, including (but without limitation) experimental schools.

(14) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(15) The term "children with specific learning disabilities" means those children who have a disorder in one or more of the basic psychological processes involved in understanding or in using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations. Such disorders include such conditions as perceptual handicaps, brain injury, minimal brain disfunction, dyslexia, and developmental aphasia. Such term does not include children who have learning problems which are primarily the result of visual, hearing, or motor handicaps, of mental retardation, of emotional disturbance, or of environmental disadvantage.

(20 U.S.C. 1401) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 602, 84 Stat. 175.

BUREAU FOR EDUCATION AND TRAINING OF THE HANDICAPPED [1]

SEC. 603. (a) There shall be, within the Office of Education, a bureau for the education and training of the handicapped which shall be the principal agency in the Office of Education for administering and carrying out programs and projects relating to the education and training of the handicapped, including programs and projects for the training of teachers of the handicapped and for research in such education and training.

(b)(1) The Bureau established under subsection (a) shall be headed by a Deputy Commissioner of Education who shall be appointed by the Commissioner, who shall report directly to the Commissioner, be compensated at the rate specified for, and placed in, grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

---

[1] Section 612(b)(1) of P.L. 93-380 provides as follows:

"(b)(1) The positions created by subsection (b) of section 603 of the Education of the Handicapped Act shall be in addition to the number of positions placed in the appropriate grades under section 5108 of title 5, United States Code, and such positions shall be in addition to, and without prejudice against, the number of positions otherwise placed in the Office of Education under such section 5108 or under other law. Nothing in this section shall be deemed as limiting the Commissioner from assigning additional General Schedule positions in grades 16, 17, and 18 to the Office should he determine such additions to be necessary to operate programs for educating handicapped children authorized by this Act."

(2) In addition to such Deputy Commissioner, there shall be placed in such Bureau five positions for persons to assist the Deputy Commissioner in carrying out his duties, including the position of Associate Deputy Commissioner, and such positions shall be placed in grade 16 of the General Schedule set forth in section 5332 of title 5, United States Code.

(20 U.S.C. 1402) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 603, 84 Stat. 177; amended August 21, 1974, P.L. 93-380, sec. 612(a), 88, Stat. 579, 580.

NATIONAL ADVISORY COMMITTEE ON HANDICAPPED CHILDREN

SEC. 604. (a) The Commissioner shall establish in the Office of Education a National Advisory Committee on Handicapped Children, consisting of fifteen members, appointed by the Commissioner. At least eight of such members shall be persons affiliated with educational, training, or research programs for the handicapped.

(b) The Advisory Committee shall review the administration and operation of the programs authorized by this title and other provisions of law administered by the Commissioner with respect to handicapped children, including their effect in improving the educational attainment of such children, and make recommendations for the improvement of such administration, and operation with respect to such children. Such recommendations shall take into consideration experience gained under this and other Federal programs for handicapped children and, to the extent appropriate, experience gained under other public and private programs for handicapped children. The Advisory Committee shall from time to time make such recommendations as it may deem appropriate to the Commissioner and shall make an annual report of its findings and recommendations to the Commissioner not later than March 31 of each year. The Commissioner shall transmit each such report to the Secretary together with his comments and recommendations, and the Secretary shall transmit such report, comments, and recommendations to the Congress together with any comments or recommendations he may have with respect thereto.

The Advisory Committee shall continue to exist until July 1, 1977.

(c) There are authorized to be appropriated for the purposes of this section $100,000 for the fiscal year ending June 30, 1974, and for each of the three succeeding fiscal years.

(20 U.S.C. 1403) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 604, 84 Stat. 177; amended August 21, 1974, P.L. 93-380, sec. 613, 88 Stat. 580.

ACQUISITION OF EQUIPMENT AND CONSTRUCTION OF NECESSARY FACILITIES

SEC. 605. (a) In the case of any program authorized by this title, if the Commissioner determines that such program will be improved by permitting the funds authorized for such program to be used for the acquisition of equipment and the construction of necessary facilities, he may authorize the use of such funds for such purposes.

(b) If within twenty years after the completion of any construction (except minor remodeling or alteration) for which funds have been paid pursuant to a grant or contract under this title the facility constructed ceases to be used for the purposes for which it was constructed, the United States, unless the Secretary determines that there is good cause for releasing the recipient of the funds from its obligation, shall be entitled to recover from the applicant or other owner of the facility an amount which bears the same ratio to the then value of the facility as the amount of such Federal funds bore to the cost of the portion of the facility financed with such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

(20 U.S.C. 1404) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 605, 84 Stat. 177.

PART B—ASSISTANCE TO STATES FOR EDUCATION OF HANDICAPPED CHILDREN

AUTHORIZATION

SEC. 611. (a) The Commissioner is authorized to make grants pursuant to the provisions of this part for the purpose of assisting the States in the initiation, expansion, and improvement of programs and projects for the education of handicapped children at the preschool, elementary school, and secondary school levels.[1]

(b) For the purpose of making grants under this part there is authorized to be appropriated $200,000,000 for the fiscal year ending June 30, 1971, $210,000,000 for the fiscal year ending June 30, 1972, and $220,000,000 for the fiscal year ending June 30, 1973.[2]

(20 U.S.C. 1411) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 611, 84 Stat. 178.

(NOTE.—Section 614(a) of P.L. 93-380 provides that, effective for fiscal year 1975 only, section 611 of the Education of the Handicapped Act is amended as follows:)

GRANTS TO STATES FOR EDUCATION OF HANDICAPPED CHILDREN

SEC. 611. (a) The Commissioner shall, in accordance with the provisions of this part, make payments to States for the purpose of assisting the States in the initiation, expansion, and improvement of programs and projects for the education of handicapped children at the preschool, elementary school, and secondary school levels in order to provide full educational opportunities to all handicapped children. Such payments may be used for the early identification and assessment of handicapping conditions in children under three years of age.

(b)(1) Subject to the provisions of section 612, the maximum amount of the grant to which a State shall be entitled under this part shall be equal to—

---

[1] Section 614(e)(1) of P.L. 93-380 adds the following words to the end of this sentence, effective July 1, 1975: "in order to provide full educational opportunity to all handicapped children."

[2] Effective July 1, 1975, subsection (b) is amended to read as follows:

"(b) For the purpose of making grants under this part, there are authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1976, and $110,000,000 for the fiscal year ending June 30, 1977.

(A) the number of children aged three to twenty-one inclusive, in that State in the most recent fiscal year for which satisfactory data are available;

multiplied by—

(B) $8.75.

(2) For the purpose of this subsection, the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(c)(1) The jurisdictions to which this subsection applies are the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(2) Each jurisdiction to which this subsection applies shall, for the fiscal year ending June 30, 1975, be entitled to a grant in an amount equal to an amount determined by the Commissioner, in accordance with criteria established by regulations, needed to initiate, expand, or improve programs and projects for the education of handicapped children at the preschool, elementary school, and secondary school levels, in that jurisdiction, except that the aggregate of the amount to which such jurisdictions are so entitled for any fiscal year shall not exceed an amount equal to 2 per centum of the aggregate of the amounts to which all States are entitled under subsection (b) of this section for that fiscal year. If the aggregate of the amounts, determined by the Commissioner pursuant to the preceding sentence, to be so needed for any fiscal year exceeds an amount equal to such 2 per centum limitation, the entitlement of each such jurisdiction shall be reduced proportionately until such aggregate does not exceed such 2 per centum limitation.

(d) The Commissioner is authorized for the fiscal year ending June 30, 1975, to make payments to the Secretary of the Interior according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, and the terms upon which payments for such purposes shall be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part. The amount of such payment for any fiscal year shall not exceed 1 per centum of the aggregate amounts to which States are entitled under subsection (b) of this section for that fiscal year.

ALLOTMENT OF FUNDS

SEC. 612. (a)(1) There is hereby authorized to be appropriated for each fiscal year for the purposes of this paragraph an amount equal to not more than 3[1] per centum of the amount appropriated for such year for payments to States under section 611(b). The Commissioner shall allot the amount appropriated pursuant to this paragraph among—

(A) Puerto Rico,[2] Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands, according to their respective needs, and

(B) for each fiscal year ending prior to July 1, 1977, the

---

[1] Effective after June 30, 1975, limited to 1 per centum (sec. 843(b)(3), P.L. 93-380).

[2] Effective after June 30, 1975, Puerto Rico is deleted from this list (sec. 843(b)(1), P.L. 93-380).

Secretary of the Interior, according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior and the terms upon which payments for such purposes shall be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(2) From the total amount appropriated pursuant to section 611(b) for any fiscal year the Commissioner shall allot to each State an amount which bears the same ratio to such amount as the number of children aged three to twenty-one, inclusive, in the State bears to the number of such children in all the States, except that no State shall be allotted less than $200,000 [3] or three-tenths of 1 per centum of such amount available for allotment to the States, whichever is greater. For purposes of this paragraph and subsection (b), the term "State" shall not include the Commonwealth of Puerto Rico,[2] Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.[4]

(b) The number of children aged three to twenty-one, inclusive, in any State and in all the States shall be determined, for purposes of this section, by the Commissioner on the basis of the most recent satisfactory data available to him.

(c) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reallotment, from time to time and on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for that year.

(20 U.S.C. 1412) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 612 84 Stat. 178; amended June 23, 1972, P.L. 92-318, sec. 421(b)(1)(C), 86 Stat. 341; amended August 21, 1974, P.L. 93-380, sec. 614(b)(1), 88 Stat. 582.

(Note: Section 614(b) of P.L. 93-380 provides that, effective for fiscal year 1975 only, section 612 of the Education of the Handicapped Act is amended as follows):

ALLOCATIONS OF APPROPRIATIONS

Sec. 612. (a) Sums appropriated for the fiscal year ending June 30, 1975, shall be made available to States and allocated to each State, on

---

[3] $300,000 on and after July 1, 1975 (sec. 615(a)(1), P.L. 93-380) if state allocations for Part B are $45,000,000 or more (sec. 615(d), P.L. 93-380).

[4] Effective on and after July 1, 1975, the following subsection (3) is added to sec. 612(a):

"(3) No State shall, in any fiscal year, be required to expend amounts allotted pursuant to this section to carry out the provisions of paragraph (1) of section 613(b) unless that State receives an amount greater than the amount allotted to that State for the fiscal year ending June 30, 1973." (Sec. 615(a)(2), P.L. 93-380.)

the basis of unsatisfied entitlements under section 611, in an amount equal to the amount it received from the appropriation for this part for the fiscal year 1974.

(b) Any sums appropriated to carry out this part for any fiscal year which remain after allocations under subsection (a) of this section shall be made to States in accordance with entitlements created under section 611 (to the extent that such entitlements are unsatisfied) ratably reduced.

(c) In the event that funds become available for making payments under this part for any fiscal year after allocations have been made under subsections (a) and (b) for that year, the amounts reduced under subsection (b) shall be increased on the same basis as they were reduced.

STATE PLANS

SEC. 613. (a) Any State which *desires to receive grants* [1] under this part shall submit to the Commissioner through its State educational agency a State plan (not part of any other plan) in such detail as the Commissioner deems necessary. Such State plan shall—

(1) set forth such policies and procedures as will provide satisfactory assurance that funds paid to the State under this part will be expanded (A) either directly or through individual, or combinations of, local educational agencies, solely to initiate, expand, or improve programs and projects, including preschool programs and projects, (i) which are designed to meet the special educational and related needs of handicapped children throughout the State, and (ii) which are of sufficient size, scope, and quality (taking into consideration the special educational needs of such children) as to give reasonable promise of substantial progress toward meeting those needs, and (B) for the proper and efficient administration of the State plan (including State leadership activities and consultative services), and for planning on the State and local level: *Provided*, That the amount expended for such administration and planning shall not exceed 5 per centum of the amount allotted to the State for any fiscal year or $200,000 [2] ($35,000 in the case of the Commonwealth of Puerto Rico,[3] Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), whichever is greater;

(2) provide satisfactory assurance, that to the extent consistent with the number and location of handicapped children in the State who are enrolled in private elementary and secondary schools, provision will be made for participation of such children in programs assisted or carried out under this part;

(3) provide satisfactory assurance that the control of funds provided under this part, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and property;

---

[1] Effective for fiscal year 1975 only, these words are amended to read "is entitled to receive payments." (Section 614(c), P.L. 93-380.)

[2] $100,000 in any year when State allocations for Part B of the EHA are not at least $45,000,000. (Sec. 615(d), P.L. 93-380.)

[3] Effective after June 30, 1975, Puerto Rico is deleted from this listing. (Sec. 843(b)(2), P.L. 93-380.)

(4) set forth policies and procedures which provide satisfactory assurance that Federal funds made available under this part will be so used as to supplement and, to the extent practical, increase the level of State, local, and private funds expended for the education of handicapped children, and in no case supplant such State, local and private funds;

(5) provide that effective procedures, including provision for appropriate objective measurements of educational achievement, will be adopted for evaluating at least annually the effectiveness of the programs in meeting the special educational needs of, and providing related services for, handicapped children;

(6) provide that the State educational agency will be the sole agency for administering or supervising the administration of the plan;

(7) provide for (A) making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this part, including reports of the objective measurements required by clause (5) of this subsection, and (B) keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this part;

(8) provide satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part to the State, including any such funds paid by the State to local educational agencies;

(9) provide satisfactory assurance that funds paid to the State under this part shall not be made available for handicapped children eligible for assistance under section 103(a)(5) of title I of the Elementary and Secondary Education Act of 1965;

(10) provide satisfactory assurance that effective procedures will be adopted for acquiring and disseminating to teachers of, and administrators of programs for, handicapped children significant information derived from educational research, demonstration, and similar projects, and for adopting, where appropriate, promising educational practices developed through such projects;

(11) contain a statement of policies and procedures which will be designed to insure that all education programs for the handicapped in the State will be properly coordinated by the persons in charge of special education programs for handicapped children in the State educational agency;

(12)(A) establish a goal of providing full educational opportunities to all handicapped children, and (B) provide for a procedure to assure that funds expended under this part are used to accomplish the goal set forth in (A) of this paragraph and priority in the utilization of funds under this part will be given to handicapped children who are not receiving an education; and

(13) provide procedures for insuring that handicapped children and their parents or guardians are guaranteed procedural safeguards in decisions regarding identification, evaluation and educational placement of handicapped children including, but not limited to (A)(i) prior notice to parents or guardians of the

child when the local or State educational agency proposes to change the educational placement of the child, (ii) an opportunity for the parents or guardians to obtain an impartial due process hearing, examine all relevant records with respect to the classification or educational placement of the child, and obtain an independent educational evaluation of the child, (iii) procedures to protect the rights of the child when the parents or guardians are not known, unavailable, or the child is a ward of the State including the assignment of an individual (not to be an employee of the State or local educational agency involved in the education or care of children) to act as a surrogate for the parents or guardians, and (iv) provision to insure that the decisions rendered in the impartial due process hearing required by this paragraph shall be binding on all parties subject only to appropriate administrative or judicial appeal; and (B) procedures to insure that, to the maximum extent appropriate, handicapped children, including children in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular education environment occurs only when the nature or severity of the handicap is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily; and (C) procedures to insure the testing and evaluation materials and procedures utilized for the purposes of classification and placement of handicapped children will be selected and administered so as not to be racially or culturally discriminatory.

(b)(1) Any State which desires to receive a grant under this part for any fiscal year beginning after June 30, 1973, shall submit to the Commissioner for approval not later than one year after the enactment of the Education of the Handicapped Amendments of 1974, through its State educational agency an amendment to the State plan required under subsection (a), setting forth in detail the policies and procedures which the State will undertake in order to assure that—

(A) all children residing in the State who are handicapped regardless of the severity of their handicap and who are in need of special education and related services are identified, located, and evaluated, including a practical method of determining which children are currently receiving needed special education and related services and which children are not currently receiving needed special education and related services;

(B) policies and procedures will be established in accordance with detailed criteria prescribed by the Commissioner to protect the confidentiality of such data and information by the State;

(C) there is established (i) a goal of providing full educational opportunities to all handicapped children, (ii) a detailed timetable for accomplishing such a goal, and (iii) a description of the kind and number of facilities, personnel, and services necessary throughout the State to meet such a goal; and

(D) the amendment submitted by the State pursuant to this subsection shall be available to parents and other members of the general public at least thirty days prior to the date of submission of the amendment to the Commissioner.

For the purpose of this part, any amendment to the State plan required by this subsection and approved by the Commissioner shall be considered, after June 30, 1975, as a required portion of the State plan.

(2) The requirement of paragraph (1) of this subsection shall not be effective with respect to any fiscal year in which the aggregate of the amounts alloted to the States for this part for that fiscal year is less than $45,000,000.

(c) The Commissioner shall approve any State plan which he determines meets the requirements and purposes of this part.

(d)(1) The Commissioner shall not approve any State plan pursuant to this section for any fiscal year unless the plan has, prior to its submission, been made public as a separate document by the State educational agency and a reasonable opportunity has been given by that agency for comment thereon by interested persons (as defined by regulation). The State educational agency shall make public the plan as finally approved. The Commissioner shall not finally disapprove any plan submitted under this section or any modification thereof, without first affording the State educational agency submitting the plan reasonable notice and opportunity for a hearing.

(2) Whenever the Commissioner, after reasonable notice and opportunity for hearing to such State agency, finds—

(A) that the State plan has been so changed that it no longer complies with the provisions of this part, or

(B) that in the administration of the plan there is a failure to comply substantially with any such provision or with any requirements set forth in the application of a local educational agency approved pursuant to such plan,

the Commissioner shall notify the agency that further payments will not be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs or projects under the State plan, or portions thereof, not affected by the failure, or that the State educational agency shall not make further payments under this part to specified local agencies affected to the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, the Commissioner shall make no further payments to the State under this part (or shall limit payments to programs or projects under, or parts of, the State plan not affected by the failure, or payments by the State educational agency under this part shall be limited to local educational agencies not affected by the failure, as the case may be).

(e)(1) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under subsection (a) or with his final action under subsection (d), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(3) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 1413) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 613, 84 Stat. 179; amended August 21, 1974, P.L. 93-380, sec. 614(d), 88 Stat. 581, 582.

PAYMENTS

SEC. 614. From the amounts allotted to each State under this part, the Commissioner shall pay to that State an amount equal to the amount expended by the State in carrying out its State plan.

(20 U.S.C. 1414) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 614, 84 Stat. 181.

PART C—CENTERS AND SERVICES TO MEET SPECIAL NEEDS OF THE HANDICAPPED

REGIONAL RESOURCE CENTERS

SEC. 621. (a) The Commissioner is authorized to make grants to or contracts with institutions of higher education, State educational agencies, or combinations of such agencies or institutions, which combinations may include one or more local educational agencies, within particular regions of the United States, to pay all or part of the cost of the establishment and operation of regional centers which will develop and apply the best methods of appraising the special educational needs of handicapped children referred to them and will provide other services to assist in meeting such needs. Centers established or operated under this section shall (1) provide testing and educational evaluation to determine the special educational needs of handicapped children referred to such centers, (2) develop educational programs to meet those needs, and (3) assist schools and other appropriate agencies, organizations, and institutions in providing such educational programs through services such as consultation (including, in appropriate cases, consultation with parents or teachers of handicapped children at such regional centers), periodic reexamination and reevaluation of special educational programs, and other technical services.

(b) In determining whether to approve an application for a project under this section, the Commissioner shall consider the need for such a center in the region to be served by the applicant and the capability of the applicant to develop and apply, with the assistance of funds under this section, new methods, techniques, devices, or facilities relating to educational evaluation or education of handicapped children.

(20 U.S.C. 1421) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 621, 84 Stat. 181.

CENTERS AND SERVICES FOR DEAF-BLIND CHILDREN

SEC. 622. (a) It is the purpose of this section to provide, through a limited number of model centers for deaf-blind children, a program designed to develop and bring to bear upon such children, beginning as early as feasible in life, those specialized, intensive professional and allied services, methods, and aids that are found to be most effective to enable them to achieve their full potential for communication with, and adjustment to, the world around them, for useful and meaningful participation in society, and for self-fulfillment.

(b) The Commissioner is authorized, upon such terms and conditions (subject to the provisions of subsection (b)(1) of this section) as he deems appropriate to carry out the purposes of this section, to make grants to or contracts with public or nonprofit private agencies, organizations, or institutions to pay all or part of the cost of estabishment, including construction, which for the purposes of this section shall include the construction of residential facilities, and operation of centers for deaf-blind children.

(c) In determining whether to make a grant or contract under subsection (b), the Commissioner shall take into consideration the need for a center for deaf-blind children in the light of the general availability and quality of existing services for such children in the part of the country involved.

(d)(1) A grant or contract pursuant to subsection (b) shall be made only if the Commissioner determines that there is satisfactory assurance that the center will provide such services as he has by regulation prescribed, including at least—

(A) comprehensive diagnostic and evaluative services for deaf-blind children;

(B) a program for the adjustment, orientation, and education of deaf-blind children which integrates all the professional and allied services necessary therefor; and

(C) effective consultative services for parents, teachers, and others who play a direct role in the lives of deaf-blind children to enable them to understand the special problems of such children and to assist in the process of their adjustment, orientation, and education.

(2) Any such services may be provided to deaf-blind children (and, where applicable, other persons) regardless of whether they reside in the center, may be provided at some place other than the center, and may include the provision of transportation for any such children (including an attendant) and for parents.

(20 U.S.C. 1422) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 622, 84 Stat. 182.

EARLY EDUCATION FOR HANDICAPPED CHILDREN

SEC. 623. (a) The Commissioner is authorized to arrange by contract, grant, or otherwise with appropriate public agencies and private nonprofit organizations, for the development and carrying out by such agencies and organizations of experimental preschool and early education programs for handicapped children which the Commissioner determines show promise of promoting a comprehensive and strengthened approach to the special problems of such children. Such programs shall be distributed to the greatest extent possible throughout the Nation, and shall be carried out both in urban and in rural areas. Such programs shall include activities and services designed to (1) facilitate the intellectual, emotional, physical, mental, social, and language development of such children; (2) encourage the participation of the parents of such children in the development and operation of any such program; and (3) acquaint the community to be served by any such program with the problems and potentialities of such children.

(b) Each arrangement for developing or carrying out a program authorized by this section shall provide for the effective coordination of each such program with similar programs in the schools of the community to be served by such a program.

(c) No arrangement pursuant to this section shall provide for the payment of more than 90 per centum of the cost of developing, carrying out, or evaluating such a program. Non-Federal contributions may be in cash or in kind, fairly evaluated, including, but not limited to, plant, equipment, and services.

(20 U.S.C. 1423) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 623, 84 Stat. 183.

RESEARCH, INNOVATION, TRAINING, AND DISSEMINATION ACTIVITIES IN CONNECTION WITH CENTERS AND SERVICES FOR THE HANDICAPPED

SEC. 624. (a) The Commissioner is authorized, either as part of any grant or contract under this part, or by separate grant to, or contract with, an agency, organization, or institution operating a center or providing a service which meets such requirements as the Commissioner determines to be appropriate, consistent with the purposes of this part, to pay all or part of the cost of such activities as—

(1) research to identify and meet the full range of special needs of handicapped children;

(2) development or demonstration of new, or improvements in existing, methods, approaches, or techniques, which would contribute to the adjustment and education of such children;

(3) training (either directly or otherwise) of professional and allied personnel engaged or preparing to engage in programs specifically designed for such children, including payment of stipends for trainees and allowances for travel and other expenses for them and their dependents; and

(4) dissemination of materials and information about practices found effective in working with such children.

(b) In making grants and contracts under this section, the Commissioner shall insure that the activities funded under such grants and contracts will be coordinated with similar activities funded from grants and contracts under other parts of this title.

(20 U.S.C. 1424) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 624, 84 Stat. 183.

REGIONAL EDUCATION PROGRAMS

SEC. 625. (a) The Commissioner is authorized to make grants to or contracts with institutions of higher education, including junior and community colleges, vocational and technical institutions, and other appropriate nonprofit educational agencies for the development and operation of specially designed or modified programs of vocational, technical, postsecondary, or adult education for deaf or other handicapped persons.

(b) In making grants or contracts authorized by this section the Commissioner shall give priority consideration to—

(1) programs serving multistate regions or large population centers;

(2) programs adapting existing programs of vocational, technical, postsecondary, or adult education to the special needs of handicapped persons; and

(3) programs designed to serve areas where a need for such services is clearly demonstrated.

(c) For purposes of this section, the term "handicapped persons" means persons who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, emotionally disturbed, crippled, or in other ways health impaired and by reason thereof require special education programming and related services.

(20 U.S.C. 1424a) Enacted Aug. 21, 1974, P.L. 93-380, sec. 616, 88 Stat. 584.

EVALUATIONS

SEC. 626. The Commissioner shall conduct, either directly or by contract with independent organizations, a thorough and continuing evaluation of the effectiveness of each program assisted under this part.

(20 U.S.C. 1425) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 625, 84 Stat 183; renumbered August 21, 1974, P.L. 93-380, sec. 616, 88 Stat. 584.

AUTHORIZATION OF APPROPRIATIONS

SEC. 627. There are authorized to be appropriated to carry out the provisions of section 621, $12,500,000 for the fiscal year ending June 30, 1975, $18,000,000 for the fiscal year ending June 30, 1976, and $19,000,000 for the fiscal year ending June 30, 1977. There are authorized to be appropriated to carry out the provisions of section 622, $15,000,000 for the fiscal year ending June 30, 1975, $20,000,000 for the fiscal year ending June 30, 1976, and for the succeeding fiscal year. There are authorized to be appropriated to carry out the provisions of section 623, $25,500,000 for the fiscal year ending June 30, 1975, $36,000,000 for the fiscal year ending June 30, 1976, and $38,000,000 for the fiscal year ending June 30, 1977. There are authorized to be appropriated to carry out the provisions of section 625, $1,000,000 for the fiscal year ending June 30, 1975, and such sums as may be necessary for each of the two succeeding fiscal years.

(20 U.S.C. 1426) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 626, 84 Stat. 184; renumbered and amended August 21, 1974, P.L. 93-380, sec. 616 and 617, 88 Stat. 584.

Part D—Training Personnel for the Education of the Handicapped

GRANTS TO INSTITUTIONS OF HIGHER EDUCATION AND OTHER APPROPRIATE INSTITUTIONS OR AGENCIES

Sec. 631. The Commissioner is authorized to make grants to institutions of higher education and other appropriate nonprofit institutions or agencies to assist them—

(1) in providing training of professional personnel to conduct training of teachers and other specialists in fields related to the education of handicapped children;

(2) in providing training for personnel engaged or preparing to engage in employment as teachers of handicapped children, as supervisors of such teachers, or as speech correctionists or other special personnel providing special services for the education of such children, or engaged or preparing to engage in research in fields related to the education of such children; and

(3) in establishing and maintaining scholarships, with such stipends and allowances as may be determined by the Commissioner, for training personnel engaged in or preparing to engage in employment as teachers of the handicapped or as related specialists.

Grants under this subsection may be used by such institutions to assist in covering the cost of courses of training or study for such personnel and for establishing and maintaining fellowships or traineeships with such stipends and allowances as may be determined by the Commissioner.

(20 U.S.C. 1431) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 631, 84 Stat. 184.

GRANTS TO STATE EDUCATIONAL AGENCIES

Sec. 632. The Commissioner is authorized to make grants to State educational agencies to assist them in establishing and maintaining, directly or through grants to institutions of higher education, programs for training personnel engaged, or preparing to engage, in employment as teachers of handicapped children or as supervisors of such teachers. Such grants shall also be available to assist such institutions in meeting the cost of training such personnel.

(20 U.S.C. 1432) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 632, 84 Stat. 184.

GRANTS OR CONTRACTS TO IMPROVE RECRUITING OF EDUCATIONAL PERSONNEL, AND TO IMPROVE DISSEMINATION OF INFORMATION CONCERNING EDUCATIONAL OPPORTUNITIES FOR THE HANDICAPPED

Sec. 633. The Commissioner is authorized to make grants to public or nonprofit private agencies, organizations, or institutions, or to enter into contracts with public or private agencies, organizations, or institutions, for projects for—

(1) encouraging students and professional personnel to work in various fields of education of handicapped children and youth through, among other ways, developing and distributing imaginative or innovative materials to assist in recruiting personnel for such careers, or publicizing existing forms of financial aid which might enable students to pursue such careers, or

(2) disseminating information about the programs, services, and resources for the education of handicapped children, or providing referral services to parents, teachers, and other persons especially interested in the handicapped.

(20 U.S.C. 1433) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 633, 84 Stat. 184.

TRAINING OF PHYSICAL EDUCATORS AND RECREATION PERSONNEL FOR HANDICAPPED CHILDREN

Sec. 634. The Commissioner is authorized to make grants to institutions of higher education to assist them in providing training for personnel engaged or preparing to engage in employment as physical educators or recreation personnel for handicapped children or as educators or supervisors of such personnel, or engaged or preparing to engage in research or teaching in fields related to the physical education or recreation of such children.

(20 U.S.C. 1434) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 634, 84 Stat. 185.

REPORTS

Sec. 635. Each recipient of a grant under this part during any fiscal year shall, after the end of such fiscal year, submit a report to the Commissioner. Such report shall be in such form and detail and contain such information as the Commissioner determines to be appropriate.

(20 U.S.C. 1435) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 635, 84 Stat. 185.

AUTHORIZATION OF APPROPRIATIONS

Sec. 636. There are authorized to be appropriated for carrying out the provisions of this part (other than section 633) $45,000,000 for the fiscal year ending June 30, 1975, $52,000,000 for the fiscal year ending June 30, 1976, and $54,000,000 for the fiscal year ending June 30, 1977. There are authorized to be appropriated to carry out the provisions of section 633, $500,000 for each of the fiscal years ending June 30, 1975, and June 30, 1976, and $1,000,000 for the fiscal year ending June 30, 1977.

(20 U.S.C. 1436) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 636, 84 Stat. 185; amended August 21, 1974, P.L. 93-380, sec. 618, 88 Stat. 584, 585.

Part E—Research in the Education of the Handicapped

RESEARCH AND DEMONSTRATION PROJECTS IN EDUCATION OF HANDICAPPED CHILDREN

Sec. 641. The Commissioner is authorized to make grants to States, State or local educational agencies, institutions of higher education, and other public or nonprofit private educational or research agencies and organizations, and to make contracts with States, State or local educational agencies, institutions of higher education, and other public or private educational or research agencies and organizations, for research and related purposes and to conduct research, surveys, or demonstrations, relating to education of handicapped children.

(20 U.S.C. 1441) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 641, 84 Stat. 185.

RESEARCH AND DEMONSTRATION PROJECTS IN PHYSICAL EDUCATION AND RECREATION FOR HANDICAPPED CHILDREN

SEC. 642. The Commissioner is authorized to make grants to States, State or local educational agencies, institutions of higher education, and other public or nonprofit private educational or research agencies and organizations, and to make contracts with States, State or local educational agencies, institutions of higher education, and other public or private educational or research agencies and organizations, for research and related purposes relating to physical education or recreation for handicapped children, and to conduct research, surveys, or demonstrations relating to physical education or recreation for handicapped children.

(20 U.S.C. 1442) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 642, 84 Stat. 185.

PANELS OF EXPERTS

SEC. 643. The Commissioner shall from time to time appoint panels of experts who are competent to evaluate various types of research or demonstration projects under this part, and shall secure the advice and recommendations of one such panel before making any grant under this part.

(20 U.S.C. 1443) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 643, 84 Stat. 185.

AUTHORIZATION OF APPROPRIATIONS

SEC. 644. For the purpose of carrying out this part, there are authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1975, $20,000,000 for each of the fiscal years ending June 30, 1976, and June 30, 1977.

(20 U.S.C. 1444) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 644, 84 Stat. 186; amended August 21, 1974, P.L. 93-380, sec. 619, 88 Stat. 585.

PART F—INSTRUCTIONAL MEDIA FOR THE HANDICAPPED

PURPOSE

SEC. 651. (a) The purposes of this part are to promote—

(1) the general welfare of deaf persons by (A) bringing to such persons understanding and appreciation of those films which play such an important part in the general and cultural advancement of hearing persons, (B) providing through these films enriched educational and cultural experiences through which deaf persons can be brought into better touch with the realities of their envi-

ronment, and (C) providing a wholesome and rewarding experiance which deaf persons may share together; and

(2) the educational advancement of handicapped persons by (A) carrying on research in the use of educational media for the handicapped, (B) producing and distributing educational media for the use of handicapped persons, their parents, their actual or potential employers, and other persons directly involved in work for the advancement of the handicapped, and (C) training persons in the use of educational media for the instruction of the handicapped.

(20 U.S.C. 1451) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 651, 84 Stat. 186.

CAPTIONED FILMS AND EDUCATIONAL MEDIA FOR HANDICAPPED PERSONS

SEC. 652. (a) The Commissioner shall establish a loan service of captioned films and educational media for the purpose of making such materials available in the United States for nonprofit purposes to handicapped persons, parents of handicapped persons, and other persons directly involved in activities for the advancement of the handicapped in accordance with regulations.

(b) The Commissioner is authorized to—

(1) acquire films (or rights thereto) and other educational media by purchase, lease, or gift;

(2) acquire by lease or purchase equipment necessary to the administration of this part;

(3) provide, by grant or contract, for the captioning of films;

(4) provide, by grant or contract, for the distribution of captioned films and other educational media and equipment through State schools for the handicapped and such other agencies as the Commissioner may deem appropriate to serve as local or regional centers for such distribution;

(5) provide, by grant or contract, for the conduct of research in the use of educational and training films and other educational media for the handicapped, for the production and distribution of educational and training films and other educational media for the handicapped and the training of persons in the use of such films and media, including the payment to those persons of such stipends (including allowances for travel and other expenses of such persons and their dependents) as he may determine, which shall be consistent with prevailing practices under comparable federally supported programs;

(6) utilize the facilities and services of other governmental agencies; and

(7) accept gifts, contributions, and voluntary and uncompensated services of individuals and organizations.

(20 U.S.C. 1452) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 652, 84 Stat. 186; amended August 21, 1974, P.L. 93-380, sec. 620, 88 Stat. 585.

NATIONAL CENTER ON EDUCATIONAL MEDIA AND MATERIALS FOR THE HANDICAPPED

SEC. 653. (a) The Secretary is authorized to enter into an agreement with an institution of higher education for the establishment and operation of a National Center on Educational Media and Materials for the Handicapped, which will provide a comprehensive program of activities to facilitate the use of new educational technology in education programs for handicapped persons, including designing and developing, and adapting instructional materials, and such other activities consistent with the purposes of this part as the Secretary may prescribe in the agreement. Such agreement shall—

(1) provide that Federal funds paid to the Center will be used solely for such purposes as are set forth in the agreement;

(2) authorize the Center, subject to the Secretary's prior approval, to contract with public and private agencies and organizations for demonstration projects; and

(3) provide for an annual report on the activities of the Center which will be transmitted to the Congress.

(b) In considering proposals from institutions of higher education to enter into an agreement under this subsection, the Secretary shall give preference to institutions—

(1) which have demonstrated the capabilities necessary for the development and evaluation of educational media for the handicapped; and

(2) which can serve the educational technology needs of the Model High School for the Deaf (established under Public Law 89–694).

(20 U.S.C. 1453) Enacted April 13, 1970, P.L. 91–230, Title VI, sec. 653, 84 Stat. 187.

AUTHORIZATION OF APPROPRIATIONS

SEC. 654. For the purposes of carrying out this part there are hereby authorized to be appropriated not to exceed $18,000,000 for the fiscal year ending June 30, 1975, and $22,000,000 for the fiscal year ending June 30, 1976, and for each succeeding fiscal year thereafter.

(20 U.S.C. 1454) Enacted April 13, 1970, P.L. 91–230, Title VI, sec. 654, 84 Stat. 187; amended August 21, 1974, P.L. 93–380, sec. 620(2), 88 Stat. 585.

PART G—SPECIAL PROGRAMS FOR CHILDREN WITH SPECIFIC LEARNING DISABILITIES

RESEARCH, TRAINING, AND MODEL CENTERS

SEC. 661. (a) The Commissioner is authorized to make grants to, and contracts with, institutions of higher education, State and local educational agencies, and other public and private educational and research agencies and organizations (except that no grant shall be made other than to a nonprofit agency or organization) in order to carry out a program of—

(1) research and related purposes relating to the education of children with specific learning disabilities;

(2) professional or advanced training for educational personnel who are teaching, or are preparing to be teachers of, children with specific learning disabilities, or such training for persons who are, or are preparing to be, supervisors and teachers of such personnel; and

(3) establishing and operating model centers for the improvement of education of children with specific learning disabilities, which centers shall (A) provide testing and educational evalua-

tion to identify children with learning disabilities who have been referred to such centers, (B) develop and conduct model programs designed to meet the special educational needs of such children, (C) assist appropriate educational agencies, organizations, and institutions in making such model programs available to other children with learning disabilities, and (D) disseminate new methods or techniques for overcoming learning disabilities to educational institutions, organizations, and agencies within the area served by such center and evaluate the effectiveness of the dissemination process. Such evaluations shall be conducted annually after the first year of operation of a center.

In making grants and contracts under this section the Commissioner shall give special consideration to applications which propose innovative and creative approaches to meeting the educational needs of children with specific learning disabilities, and those which emphasize the prevention and early identification of learning disabilties.

(b) In making grants and controls under this section, the Commissioner shall—

(1) for the purposes of clause (2) of subsection (a), seek to achieve an equitable geographical distribution of training programs and trained personnel throughout the Nation, and

(2) for the purposes of clause (3) of subsection (a), to the extent feasible, taking into consideration the appropriations pursuant to this section, seek to encourage the establishment of a model center in each of the States.

(c) For the purpose of making grants and contracts under this section there are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1975, $20,000,000 for each of the fiscal years ending June 30, 1976, and June 30, 1977.

(20 U.S.C. 1461) Enacted April 13, 1970, P.L. 91–230, Title VI, sec. 661, 84 Stat. 187, 188; amended August 21, 1974, P.L. 93–380, sec. 621, 88 Stat. 585.

REPEALER

SEC. 662. Effective July 1, 1971, the following provisions of law are repealed:

(1) That part of section 1 of the Act of September 2, 1958 (Public Law 85–905), which follows the enacting clause and sections 2, 3, and 4 of such Act;

(2) The Act of September 6, 1958 (Public Law 85–926);

(3) Title VI of the Elementary and Secondary Education Act of 1965 (Public Law 89–10);

(4) Titles III and V of the Act of October 31, 1963 (Public Law 88–164); and

(5) The Act of September 30, 1968 (Public Law 90–538).

National Technical Institute for the Deaf

AN ACT To provide for the establishment and operation of a National Technical Institute for the Deaf

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Technical Institute for the Deaf Act".

(20 U.S.C. 681 note) Enacted June 8, 1965, P.L. 89–36, sec. 1, 79 Stat. 125.

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. For the purpose of providing a residential facility for postsecondary technical training and education for persons who are deaf in order to prepare them for successful employment, there are authorized to be appropriated for each fiscal year such sums as may be necessary for the establishment and operation, including construction and equipment, of a National Technical Institute for the Deaf, including sums necessary for the acquisition of property, both real and personal, and for the construction of buildings and other facilities for such Institute.

(20 U.S.C. 681) Enacted June 8, 1965, P.L. 89-36, sec. 2, 79 Stat. 125.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(b) The term "institution of higher education" means an educational institution in any State or in the District of Columbia which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (2) is legally authorized within such State (or in the District of Columbia) to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree, (4) includes one or more professional or graduate schools, (5) is a public or nonprofit private institution, and (6) is accredited by a nationally recognized accrediting agency or association. For purposes of this subsection, the Commissioner of Education shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "construction" includes construction and initial equipment of new buildings, expansion, remodeling, and alteration of existing buildings and equipment thereof, and acquisition of land; including architect's services, but excluding off-site improvements.

(20 U.S.C. 682) Enacted June 8, 1965, P.L. 89-36, sec. 3, 79 Stat. 125.

PROPOSALS

SEC. 4. Any institution of higher education which desires to enter into an agreement with the Secretary to establish and operate a National Technical Institute for the Deaf shall submit a proposal therefor at such time, in such manner, and containing such information as may be prescribed by the Secretary.

(20 U.S.C. 683) Enacted June 8, 1965, P.L. 89-36, sec. 4, 79 Stat. 125.

AGREEMENT TO ESTABLISH INSTITUTE

SEC. 5. (a) The Secretary, after consultation with the National Advisory Board created by section 6, is authorized to enter into an agreement with an institution of higher education for the esablishment and operation, including construction and equipment, of a National Technical Institute for the Deaf. The Secretary, in considering proposals from institutions of higher education to enter into an agreement under this Act, shall give preference to institutions which are located in metropolitan industrial areas.

(b) The agreement shall—

(1) provide that Federal funds appropriated for the benefit of the Institute will be used only for the purposes for which paid and in accordance with the applicable provisions of this Act and the agreement made pursuant thereto;

(2) provide that the Board of Trustees or other governing body of the institution, subject to the approval of the Secretary, will appoint an advisory group to advise the Director of the Institute in formulating and carrying out the basic policies governing its establishment and operation, which group shall include persons who are professionally concerned with education and technical training at the post secondary school level, persons who are professionally concerned with activities relating to education and training of the deaf, and members of the public familiar with the need for services provided by the Institute;

(3) provide that the Board of Trustees or other governing body of the institution will make an annual report to the Secretary. The Secretary shall transmit the report of the institution to the Congress with such comments and recommendations as he may deem appropriate;

(4) include such other conditions as the Secretary, after consultation with the National Advisory Board, deems necessary to carry out the purposes of this Act; and

(5) provide that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by Federal funds appropriated for the benefit of the Institute will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a–5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(c) If within twenty years after the completion of any construction (except minor remodeling or alteration) for which such funds have been paid—

(A) the facility ceases to be used for the purposes for which it was constructed or the agreement is terminated, unless the Secretary determines that there is good cause for releasing the institution from its obligation, or

(B) the institution ceases to be the owner of the facility,

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

(20 U.S.C. 684) Enacted June 8, 1965, P.L. 89–36, sec. 5, 79 Stat. 126.

NATIONAL ADVISORY BOARD ON ESTABLISHMENT OF THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

Sec. 6. (a) There is hereby established a National Advisory Board on Establishment of the National Technical Institute for the Deaf, which shall consist of twelve persons, not regular full-time employees of the United States, appointed by the Secretary without regard to the civil service laws. The Secretary shall appoint one of the members to serve as Chairman. The appointed members shall be selected from among leaders in fields related to education and training of the deaf and other fields of education, and from members of the public familiar with the need for services provided by the Institute. The Commissioner of Education and the Commissioner of Vocational Rehabilitation shall be ex officio members of the Board.

(b) Members of the Board, while serving on business of the Board, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including travel time, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

(c) It shall be the function of the Board (1) to review proposals from institutions of higher education which offer to enter into an agreement with the Secretary for the construction and operation of a National Technical Institute for the Deaf, (2) to make recommendations to the Secretary with respect to such proposals, and (3) to make such other recommendations to the Secretary concerning the establishment and operation of the National Technical Institute as may be appropriate.

(d) After the Secretary enters into an agreement under this Act, the Board shall cease to exist.

(20 U.S.C. 685) Enacted June 8, 1965, P.L. 89–36, sec. 6, 79 Stat. 127.

Model Secondary School for the Deaf

(P.L. 89-694)

AN ACT To authorize the establishment and operation by Gallaudet College of a model secondary school for the deaf to serve the National Capital region

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Model Secondary School for the Deaf Act".

AUTHORIZATION OF APPROPRIATIONS

Sec. 2. For the purpose of providing day and residential facilities for secondary education for persons who are deaf in order to prepare them for college and other advanced study, and to provide an exemplary secondary school program to stimulate the development of similarly excellent programs throughout the Nation, there are authorized to be appropriated for each fiscal year such sums as may be necessary for the establishment and operation, including construction and equipment, of a model secondary school for the deaf to serve primarily residents of the District of Columbia and of nearby States, including sums necessary for the construction of buildings and other facilities for the school.

(31 D.C. Code 1051) Enacted Oct. 15, 1966, P.L. 89-694, sec. 2, 80 Stat. 1027.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(b) The term "construction" includes construction and initial equipment of new buildings, expansion, remodeling, and alteration of existing buildings and equipment thereof, including architect's services, but excluding off site improvements.

(c) The term "secondary school" means a school which provides education in grades nine through twelve, inclusive.

(31 D.C. Code 1052) Enacted Oct. 15, 1966, P.L. 89-694, sec. 3, 80 Stat. 1027.

AGREEMENT WITH GALLAUDET COLLEGE TO ESTABLISH MODEL SECONDARY SCHOOL

SEC. 4. (a) The Secretary, after consultation with the National Advisory Committee on Education of the Deaf (created by Public Law 89-258, 42 U.S.C. 2495) is authorized to enter into an agreement with Gallaudet College for the establishment and operation, including construction and equipment of a model secondary school for the deaf to serve primarily residents of the District of Columbia and of nearby States.

(b) The agreement shall—

(1) provide that Federal funds appropriated for the benefit of the model secondary school will be used only for the purposes for which paid and in accordance with the applicable provisions of this Act and the agreement made pursuant thereto;

(2) provide for utilization of the National Advisory Committee on Education of the Deaf to advise the college in formulating and carrying out the basic policies governing the establishment and operation of the model secondary school;

(3) provide that the college will make an annual report to the Secretary;

(4) provide that in the design and construction of any facilities, maximum attention will be given to excellence of architecture and design, works of art, and innovative auditory and visual devices and installations appropriate for the educational functions of such facilities;

(5) include such other conditions as the Secretary, after consultation with the National Advisory Committee on Education of the Deaf, deems necessary to carry out the purposes of this Act; and

(6) provide that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by Federal funds appropriated for the benefit of the model secondary school will be paid wages at rates not less

than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(c) The Secretary shall submit the annual report of the college (required by clause (3) of subsection (b)) to the Congress with such comments and recommendations as he may deem appropriate.

(31 D.C. Code 1053) Enacted Oct. 15, 1966, P.L. 89-694, sec. 4, 80 Stat. 1027.

GALLAUDET COLLEGE

AN ACT To amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Columbia Institution for the Deaf, created a body corporate by the Act of Congress approved February 16, 1857, as amended, is hereby continued as a body corporate under the name of Gallaudet College, and hereafter by such name shall be known and have perpetual succession and shall have the powers and be subject to the limitations contained in this Act.

(D.C. Code 31-1025) Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 1, 68 Stat. 265.

SEC. 2. The purposes of Gallaudet College shall be to provide education and training to deaf persons and otherwise to further the education of the deaf.

(D.C. Code 31-1026) Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 2, 68 Stat. 265.

SEC. 3. (a) Subject to the provisions of subsection (b), Gallaudet College is hereby invested with all the property and the rights of property, and shall have and be entitled to use all authority, privileges, and possessions and all legal rights which it has, or which it had or exercised under any former name, including the right to sue and be sued and to own, acquire, sell, mortgage, or otherwise dispose of property it may own now or hereafter acquire. Gallaudet College shall also be subject to all liabilities and obligations now outstanding against said corporation under any former name.

(b) With the approval of the Secretary of Health, Education, and Welfare the Board of Directors of Gallaudet College may convey fee simple title by deed, convey by quitclaim deed, mortgage, or otherwise dispose of any or all real property title to which is vested in Gallaudet College, the Columbia Institution for the Deaf, or any predecessor corporation: *Provided*, That the proceeds of any such disposition shall be considered a part of the capital structure of the corporation, and may be used solely for the acquisition of real estate for the use of the corporation, for the construction, equipment, or improvement of buildings for such use, or for investment purposes, but if invested only the income from the investment may be used for current expenses of the corporation.

(D.C. Code 31-1027) Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 3, 68 Stat. 265; amended Sept. 13, 1960, P.L. 86-776, sec. 4, 74 Stat. 917.

Sec. 4. Gallaudet College is authorized to receive by gift, devise, bequest, purchase, or otherwise, property, both real and personal, for the use of said Gallaudet College, or for the use of any of its departments or other units as may be designated in the conveyance or will, and to hold, invest, use, or dispose of such property for such purpose.

(D.C. Code 31-1028) Enacted June 18, 1954, P.L. 420, 83rd Cong., Sec. 4, 68 Stat. 265.

Sec. 5. Gallaudet College shall be under the direction and control of a Board of Directors composed of thirteen members selected as follows: (1) Three public members of whom: one shall be a United States Senator appointed by the President of the Senate; two shall be Representatives appointed by the Speaker of the House of Representatives; (2) ten other members, all of whom shall be elected by the Board of Directors, who on the effective date of this Act shall include those persons serving as nonpublic members of the Board of Directors of the Columbia Institution for the Deaf immediately prior to such date, and of whom one shall be elected pursuant to regulations of the Board of Directors on nomination by the Gallaudet College Alumni Association for a term of three years. The members appointed from the Senate and House of Representatives shall be appointed for a term of two years at the beginning of each Congress, shall be eligible for reappointment, and shall serve until their successors are appointed. The Board of Directors shall have the power to fill any vacancy in the membership of the Board except for public members. Seven directors shall be a quorum to transact business. The said Board of Directors, by vote of a majority of its membership, shall have power to remove any member of their body (except the public members) who may refuse or neglect to discharge the duties of a director, or whose removal would, in the judgment of said majority, be to the interest and welfare of said corporation.

(D.C. Code 31-1029) Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 5, 68 Stat. 266.

Sec. 6. The Board of Directors shall have the power to—

(a) make such rules, regulations, and bylaws, not inconsistent with the Constitution and laws of the United States, as may be necessary for the good government of Gallaudet College, for the management of the property and funds of such corporation and for the admission, instruction, care, and discharge of students;

(b) provide for the adoption of a corporate seal and for its use;

(c) fix the date of holding their annual and other meetings;

(d) appoint a president, professors, instructors, and other necessary employees for Gallaudet College, delegate to them such duties as it may deem advisable, fix their compensation, and remove them when, in their judgment, the interest of Gallaudet College shall require it;

(e) elect a chairman and other officers and prescribe their duties and terms of office, and appoint an executive committee to consist of five members, and vest the committee with such of its powers during periods between meetings of the Board as the Board deems necessary;

(f) establish such departments and other units, including a department of higher learning for the deaf, a department of elementary education for the instruction of deaf children, a graduate department, and a research department, as the Board deems necessary to carry out the purpose of Gallaudet College;

(g) confer such degrees and marks of honor as are conferred by colleges and universities generally, and issue such diplomas and certificates of graduation as, in its opinion, may be deemed advisable, and consistent with academic standards;

(h) subject to the provisions of section 7, control expenditures of all moneys appropriated by Congress for the benefit of Gallaudet College; and

(i) control the expenditure and investment of any moneys or funds or property which Gallaudet College may have or may receive from sources other than appropriations by Congress.

(D.C. Code 31-1030) Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 6, 68 Stat. 266.

Sec. 7. (a) All financial transactions and accounts of the corporation in connection with the expenditure of any moneys appropriated by any law of the United States for the benefit of Gallaudet College or for the construction of facilities for its use, shall be settled and adjusted in the General Accounting Office.

(b) It shall be the duty of the Board of Directors of Gallaudet College to have made annually a report to the Secretary of Health, Education, and Welfare as soon as practicable after the first day of July of each year the condition of the corporation, embracing in said report the number of students of each description received and discharged during the preceding school year and the number remaining, also the branches and type of training and education taught and progress made therein, together with a statement showing the receipts of said corporation and from what sources, and its expenditures and for what objects.

(D.C. Code 31-1031) Enacted June 19, 1954, P.L. 420, 83rd Cong., sec. 7, 68 Stat. 266.

Sec. 8. There are hereby authorized to be appropriated such sums as the Congress may determine necessary for the administration, operation, maintenance, and improvement of Gallaudet College, including sums necessary for student aid and research, for the acquisition of property, both real and personal, and for the construction of buildings and other facilities for the use of said corporation.

(D.C. Code 31-1032) Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 8, 68 Stat. 266.

Sec. 9. (a) The following statutes or parts of statutes are hereby repealed:

Sections 4859, 4860, 4861, 4862, 4863, 4865, 4866, 4868, and 4869 of the Revised Statutes of the United States, and all amendments thereto (31 D.C. Code, 1951 edition, secs, 1001, 1003, 1004, 1005, 1006, 1012, 1015, 1017, and 1019).

Chapter 52, volume 13, Statutes at Large, page 45 (31 D.C. Code, 1951 edition, sec. 1002).

The first and second provisos at the end of the third paragraph under the heading "Columbia Institution for the Deaf and Dumb" in the Act approved June 10, 1872, chapter 415, volume 17, Statutes at Large, page 347, which appear at page 360 and read as follows: "*Provided*, That before the expenditure of any part of this appropriation, by proper deeds of conveyance, to be approved by the Attorney General of the United States, all the real estate now owned by the said Columbia Institution for the Deaf and Dumb shall be vested in the United States, as trustee, for the sole use and purpose provided in the Act entitled 'An Act to incorporate the Columbia Institution for the Instruction of the Deaf, Dumb, and Blind,' approved February 16, 1857, and the several Acts amendatory thereof: *Provided*, That, whenever Congress shall so determine, any part of said estate may be sold, and so much of the proceeds thereof as shall be needful for the purpose shall be applied to reimburse the United States for the expenditure herein provided.".

The proviso at the end of the first paragraph under the heading "Columbia Institution for the Deaf and Dumb" in chapter 235, volume 21, Statutes at Large, page 259, which appears at pages 275 and 276 and which reads as follows: "*Provided*, That when any indigent applicant for admission to the institution, belonging to the District of Columbia, and being of teachable age, is found on examination by the president of the institution to be of feeble mind, and hence incapable of receiving instruction among children of sound mind, the Secretary of the Interior may cause such person to be instructed in some institution for the education of feeble-minded children in Pennsylvania, or some other State, at a cost not greater for each pupil than is, or may be for the time being, paid by such State for similar instruction, and the sum necessary therefor is appropriated out of the sum above provided for current expenses of the institution."; together with the amendment thereto at the end of the last paragraph under the heading "Columbia Institution for the Deaf and Dumb" in chapter 837, volume 26, Statutes at Large, page 371, which appears at page 393 and which reads as follows: "and hereafter the estimates for this expense shall each year be submitted in the annual estimates for the expenses of the government of the District of Columbia" (31 D.C. Code, 1951 edition, sec. 1009).

The second proviso at the end of the first paragraph under the heading "Columbia Institution for the Deaf and Dumb" in chapter 143, volume 22, Statutes at Large, page 603, which appears at pages 625 and 626 and which reads as follows: "*Provided further*, That hereafter the report of said institution shall contain an itemized statement of all employees, the salaries or wages respectively, each of them, and also of all other expenses of said institution" (31 D.C. Code, 1951 edition, sec. 1018).

The last clause of the first proviso and all of the second proviso at the end of the first paragraph under the heading "Columbia Institution for the Deaf and Dumb" in chapter 837, volume 26, Statutes at Large, page 371, which appears at page 393 and which reads as follows: "and hereafter there shall not be admitted to said institution under section forty-eight hundred and sixty-five of the Revised Statutes, nor shall there be maintained after such admission, at any one time from any State or Territory exceeding three deaf-mutes while there are applications pending from deaf-mutes, citizens of States or Territories having less than three pupils in said institution: *Provided* *further*, That hereafter there shall be included in the annual Book of Estimates a statement showing the number of persons employed each year in this institution and the compensation paid to each" (31 D.C. Code, 1951 edition, secs. 1013 and 1014).

The proviso at the end of the first paragraph under the heading "Current expenses of the Columbia Institution for the Deaf and Dumb" in chapter 546, volume 30, Statutes at Large, page 597, which appears at page 624 and which reads as follows: "*Provided*, That directors appointed under the provisions of section forty-eight hundred and sixty-three of the Revised Statutes of the United States shall remain in office until the appointment and acceptance of office of their successors; and the directors of the institution shall have control of the disbursement of all moneys appropriated by Congress for the benefit of said institution, accounts for which shall be settled and adjusted at the Treasury Department as required by the provisions of section two hundred and thirty-six of the Revised Statutes" (31 D.C. Code, 1951 Ed., sec. 1007).

(b) All other laws and parts of laws, or of the charter heretofore granted, as amended, which are in conflict with this Act are hereby repealed.

Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 9, 68 Stat. 266; amended Sept. 13, 1960, P.L. 86–776, sec. 3, 74 Stat. 917.

AN ACT To cancel a deed of trust to the United States from the predecessor in name of Gallaudet College and any evidences of indebtedness related to the same transaction, to quiet the college's title to property belonging to it, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) as used in this Act, the term "Institution" means the Columbia Institution for the Instruction of the Deaf and Dumb (also known as Columbia Institution for the Deaf and Dumb and, later, as the Columbia Institution for the Deaf), which was continued as a body corporate under the name of Gallaudet College by the Act approved June 18, 1954 (68 Stat. 265, Public Law 420, 83d Cong. ch. 324).

(b) All property conveyed by the Institution to the United States, as trustee, pursuant to certain provisos under the heading "Columbia Institution for the Deaf and Dumb" in the Act of June 10, 1872, Forty-second Congress, second session (17 Stat. L. 347, at 360), by deed dated June 20, 1872, and recorded in liber 752, folio 272, of the land records for the District of Columbia, and all property otherwise made subject to such deed of trust, is hereby given granted, remised, released, and quitclaimed unto Gallaudet College, free and clear of any trust, lien, encumbrance, or indebtedness arising out of said deed or under the said Act of June 10, 1872, and the college is forever discharged from the obligation of repayment, to the United States, of the sum referred to in said Act and in said deed, or in any note or other evidence of indebtedness executed in connection therewith.

(D.C. Code 31–1033) Enacted Sept. 13, 1960, P.L. 86–776, sec. 1, 74 Stat. 916.

SEC. 2. The said deed, and any note or other evidence of indebtedness executed in connection therewith, and all original papers with respect thereto, shall be delivered by the Administrator of General

Services (or any other officer of the United States having custody thereof) to the Secretary of Health, Education, and Welfare (or his designee) and shall by the Secretary (or his designee) be canceled and returned to Gallaudet College for its historical records.

(D.C. Code 31-1034) Enacted Sept. 13, 1960, P.L. 86-776, sec. 2, 74 Stat. 917.

SEC. 3. * * *.

(NOTE.—This section amended section 9 of P.L. 420, 83rd Congress. The language of this section reflects the amendment.)

SEC. 4. * * *.

(NOTE.—This section amended section 3 of P.L. 420, 83rd Congress. The language of this section reflects the amendment.)

KENDALL SCHOOL

(P.L. 91-587)

AN ACT To modify and enlarge the authority of Gallaudet College to maintain and operate the Kendall School as a demonstration elementary school for the deaf to serve primarily the National Capital region, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of providing day and residential facilities for elementary education for persons who are deaf in order to prepare them for high school and other secondary study, and to provide an exemplary educational program to stimulate the development of similar excellent programs throughout the Nation, the directors of Gallaudet College are authorized to maintain and operate Kendall School as a demonstration elementary school for the deaf, to serve primarily residents of the National Capital region.

SEC. 2. As used in this Act—

(a) The term "elementary school" means a school which provides education for deaf children from the age of onset of deafness to age fifteen, inclusive, but not beyond the eighth grade or its equivalent.

(b) The term "construction" includes construction and initial equipment of new buildings, and expansion, remodeling, and alteration of existing buildings and equipment thereof, including architect's services, but excluding off-site improvements.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. (a) There are authorized to be appropriated for each fiscal year such sums as may be necessary for the establishment and operation, including construction and equipment, of the demonstration elementary school provided for in section 1.

(b) Federal funds appropriated for the benefit of the school shall be used only for the purposes for which paid and in accordance with the applicable provisions of this Act.

SEC. 4. In the design and construction of any facilities, maximum attention shall be given to excellence of architecture and design, works of art, and innovative auditory and visual devices and installations appropriate for educational functions of such facilities.

APPENDIX—TEXT OF SELECTED STATUTES

National Sea Grant College and Program Act of 1966

(P.L. 89-688)

AN ACT To amend the Marine Resources and Engineering Development Act of 1966 to authorize the establishment and operation of sea grant colleges and programs by initiating and supporting programs of education and research in the various fields relating to the developing of marine resources, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, * * *

TITLE II—SEA GRANT COLLEGES AND PROGRAMS

SHORT TITLE

SEC. 201. This title may be cited as the "National Sea Grant College and Program Act of 1966."

DECLARATION OF PURPOSE

SEC. 202. The Congress hereby finds and declares—

(a) that marine resources, including animal and vegetable life and mineral wealth, constitute a far-reaching and largely untapped asset of immense potential significance to the United States; and

(b) that it is in the national interest of the United States to develop the skilled manpower, including scientists, engineers, and technicians, and the facilities and equipment necessary for the exploitation of these resources; and

(c) that aquaculture, as with agriculture on land, and the gainful use of marine resources can substantially benefit the United States, and ultimately the people of the world, by providing greater economic opportunities, including expanded employment and commerce; the enjoyment and use of our marine resources; new sources of food; and new means for the development of marine resources; and

(d) that Federal support toward the establishment, development, and operation of programs by sea grant colleges and Federal support of other sea grant programs designed to achieve the gainful use of marine resources, offer the best means of promoting programs toward the goals set forth in clauses (a), (b), and (c), and should be undertaken by the Federal Government; and

(e) that in view of the importance of achieving the earliest possible institution of significant national activities related to the development of marine resources, it is the purpose of this title to provide for the establishment of a program of sea grant colleges and education, training, and research in the fields of marine science, engineering, and related disciplines.

GRANTS AND CONTRACTS FOR SEA GRANT COLLEGES AND PROGRAMS

SEC. 203. (a) The provisions of this title shall be administered by the National Science Foundation (hereafter in this title referred to as the "Foundation").

(b)(1) For the purpose of carrying out this title, there is authorized to be appropriated to the Foundation for the fiscal year ending June 30, 1967, not to exceed the sum of $5,000,000, for the fiscal year ending June 30, 1968, not to exceed the sum of $15,000,000 and for each subsequent fiscal year only such sums as the Congress may hereafter specifically authorize by law.

(2) Amounts appropriated under this title are authorized to remain available until expended.

MARINE RESOURCES

SEC. 204. (a) In carrying out the provisions of this title, the Foundation shall (1) consult with those experts engaged in pursuits in the various fields related to the development of marine resources and with all departments and agencies of the Federal Government (including the United States Office of Education in all matters relating to education) interested in, or affected by, activities in any such fields, and (2) seek advice and counsel from the National Council on Marine Resources and Engineering Development as provided by section 205 of this title.

(b) The Foundation shall exercise its authority under this title by—

(1) initiating and supporting programs at sea grant colleges and other suitable institutes, laboratories, and public or private agencies for the education of participants in the various fields relating to the development of marine resources;

(2) initiating and supporting necessary research programs in the various fields relating to the development of marine resources, with preference given to research aimed at practices, techniques, and design of equipment applicable to the development of marine resources; and

(3) encouraging and developing programs consisting of instruction, practical demonstrations, publications, and otherwise, by sea grant colleges and other suitable institutes, laboratories, and public or private agencies through marine advisory programs with the object of imparting useful information to persons currently employed or interested in the various fields related to the development of marine resources, the scientific community, and the general public.

(c) Programs to carry out the purposes of this title shall be accomplished through contracts with, or grants to, suitable public or private institutions of higher education, institutes, laboratories, and public or private agencies which are engaged in, or concerned with, activities in the various fields related to the development of marine resources, for the establishment and operation by them of such programs.

(d)(1) The total amount of payments in any fiscal year under any grant to or contract with any participant in any program to be carried out by such participant under this title shall not exceed 66⅔ per centum of the total cost of such program. For purposes of computing the amount of the total cost of any such program furnished by any participant in any fiscal year, the Foundation shall include in such computation an amount equal to the reasonable value of any buildings, facilities, equipment, supplies, or services provided by such participant with respect to such program (but not the cost or value of land or of Federal contributions).

(2) No portion of any payment by the Foundation to any participant in any program to be carried out under this title shall be applied to the purchase or rental of any land or the rental, purchase, construction, preservation, or repair of any building, dock, or vessel.

(3) The total amount of payments in any fiscal year by the Foundation to participants within any State shall not exceed 15 per centum of the total amount appropriated to the Foundation for the purposes of this title for such fiscal year.

(e) In allocating funds appropriated in any fiscal year for the purposes of this title the Foundation shall endeavor to achieve maximum participation by sea grant colleges and other suitable institutes, laboratories, and public or private agencies throughout the United States, consistent with the purposes of this title.

(f) In carrying out its functions under this title, the Foundation shall attempt to support programs in such a manner as to supplement and not duplicate or overlap any existing and related Government activities.

(g) Except as otherwise provided in this title, the Foundation shall, in carrying out its functions under this title, have the same powers and authority it has under the National Science Foundation Act of 1950 to carry out its functions under that Act.

(h) The head of each department, agency, or instrumentality of the Federal Government is authorized, upon request of the Foundation, to make available to the Foundation, from time to time, on a reimbursable basis, such personnel, services, and facilities as may be necessary to assist the Foundation in carrying out its functions under this title.

(i) For the purposes of this title—

(1) the term "development of marine resources" means scientific endeavors relating to the marine environment, including, but not limited to, the fields oriented toward the development, conservation, or economic utilization of the physical, chemical, geological, and biological resources of the marine environment; the fields of marine commerce and marine engineering; the fields relating to exploration or research in, the recovery of natural resources from, and the transmission of energy in, the marine environment; the fields of oceanography and oceanology; and the fields with respect to the study of the economic, legal, medical, or socialogical problems arising out of the management, use, development, recovery, and control of the natural resources of the marine environment;

(2) the term "marine environment" means the oceans; the Continental Shelf of the United States; the Great Lakes; the

seabed and subsoil of the submarine areas adjacent to the coasts of the United States to the depth of two hundred meters, or beyond that limit, to where the depths of the superadjacent waters admit of the exploitation of the natural resources of the area; the seabed and subsoil of similar submarine areas adjacent to the coasts of islands which comprise United States territory; and the natural resources thereof;

(3) the term "sea grant college" means any suitable public or private institution of higher education supported pursuant to the purposes of this title which has major programs devoted to increasing our Nation's utilization of the world's marine resources; and

(4) the term "sea grant program" means (A) any activities of education or research related to the development of marine resources supported by the Foundation by contracts with or grants to institutions of higher education either initiating, or developing existing, programs in fields related to the purposes of this title, (B) any activities of education research related to the development of marine resources supported by the Foundation by contracts with or grants to suitable institutes, laboratories, and public or private agencies, and (C) any programs of advisory services oriented toward imparting information in fields related to the development of marine resources supported by the Foundation by contracts with or grants to suitable institutes, laboratories, and public or private agencies.

ADVISORY FUNCTIONS

SEC. 205. The National Council on Marine Resouces and Engineering Development established by section 3 of title I of this Act shall, as the President may request—

(1) advise the Foundation with respect to the policies, procedures, and operations of the Foundation in carrying out its functions under this title;

(2) provide policy guidance to the Foundation with respect to contracts or grants in support of programs conducted pursuant to this title, and make such recommendations thereon to the Foundation as may be appropriate; and

(3) submit an annual report on its activities and its recommendations under this section to the Speaker of the House of Representatives, the Committee on Merchant Marine and Fisheries of the House of Representatives, the President of the Senate, and the Committee on Labor and Public Welfare of the Senate.

NATIONAL SCHOOL LUNCH ACT

AN ACT To provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National School Lunch Act." [1]

---

[1] Public Law 79–396, 60 Stat. 230.

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food, by assisting the States, through grants-in-aid and other means, in providing an adequate supply of foods and other facilities for the establishment, maintenance, operation, and expansion of nonprofit school-lunch programs.

APPROPRIATIONS AUTHORIZED

SEC. 3.[2] For each fiscal year there is hereby authorized to be appropriated, out of money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture (hereinafter referred to as "the Secretary") to carry out the provisions of this Act, other than section 13. Appropriations to carry out the provisions of this Act and of the Child Nutrition Act of 1966 for any fiscal year are authorized to be made a year in advance of the beginning of the fiscal year in which the funds will become available for disbursement to the States. Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of such Acts shall remain available for the purposes of the Act for which appopriated until expended.

APPORTIONMENTS TO STATES

SEC. 4.[3] The sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, excluding the sum specified in section 5, shall be available to the Secretary for supplying agricultural commodities and other food for the program in accordance with the provisions of this Act. For each fiscal year the Secretary may make food assistance payments, at such times as he may determine, from the sums appropriated therefor, to each State educational agency, in a total amount equal to the result obtained by multiplying the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary under subsection 9(a) of this Act) served during such fiscal year to children in schools in such State, which participate in the school lunch program under this Act under agreements with such State educational agency, by a national average payment per lunch for such fiscal year determined by the Secretary to be necessary to carry out the purposes of this Act: *Provided*, That in any fiscal year such national average payment shall not be less than 10 cents per lunch and that the aggregate amount of the food assistance payments made by the Secretary to each State educational agency for any fiscal year shall not be less than the amount of the payments made by the State agency to participating schools within the State for the fiscal year ending June 30, 1972, to carry out the purposes of this section 4.

---

[2] Sec. 3 was amended by Public Law 87-823, 76 Stat. 944, approved Oct. 15, 1962, further amended by Public Law 90-302, 82 Stat. 117, approved May 8, 1968, to include the exception of new sec. 13 as well as sec. 11. Final two sentences were added by Public Law 91-248, 84 Stat. 207, approved May 14, 1970.

[3] Sec. 4 was amended by the act of Oct. 15, 1962 Public Law 87-823, 76 Stat. 944. Amended further by Public Law 92-433, 86 Stat. 724, approved Sept. 26, 1972. Further amended by P.L. 93-150, 87 Stat. 560.

NONFOOD ASSISTANCE

SEC. 5.[4] Of the sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of the Act, $10,000,000 shall be available to the Secretary for the purpose of providing, during such fiscal year, nonfood assistance for the school-lunch program pursuant to the provisions of this Act. The Secretary shall apportion among the States during each fiscal year the aforesaid sum of $10,000,000, and such apportionment among the States shall be on the basis of the factors, and in accordance with the standards set forth in section 4 with respect to the apportionment for agricultural commodities and other foods.

DIRECT FEDERAL EXPENDITURES

SEC. 6. (a) [5] The funds provided by appropriation or transfer from other accounts for any fiscal year for carrying out the provisions of this Act, and for carrying out the provisions of the Child Nutrition Act of 1966, other than section 3 thereof, less

(1) not to exceed 3½ per centum thereof which per centum is hereby made available to the Secretary for his administrative expenses under this Act and under the Child Nutrition Act of 1966;

(2) the amount apportioned by him pursuant to sections 4 and 5 of this Act and the amount appropriated pursuant to sections 11 and 13 of this Act and sections 4, 5, and 7 of the Child Nutrition Act of 1966; and

(3) not to exceed 1 per centum of the funds provided for carrying out the programs under this Act and the programs under the Child Nutrition Act of 1966, other than section 3, which per centum is hereby made available to the Secretary to supplement the nutritional benefits of these programs through grants to States and other means for nutritional training and education for workers, cooperators, and participants in these programs and for necessary surveys and studies of requirements for food service programs in furtherance of the purposes expressed in section 2 of this Act and section 2 of the Child Nutrition Act of 1966,

shall be available to the Secretary during such year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools and service institutions participating in the food service programs under this Act and under the Child Nutrition Act of 1966 in accordance with the needs as determined by the local school and service institution authorities.[6] The provisions of law contained in the proviso of the Act of June 28, 1937 (50 Stat. 323), facilitating operations with respect to the purchase and disposition of surplus agricultural commodities under section 32 of the Act approved August 24, 1935 (49 Stat. 774), as amended, shall, to the extent not inconsistent with the provisions of this Act, also be applicable to expenditures of funds by the Secretary under this Act.

---

[4] Sec. 5 was amended by Public Law 87–823, 76 Stat. 945.

[5] See sec. 404 of the Agricultural Act of 1949, Public Law 81–439, 63 Stat. 1054, approved Oct. 31, 1949, authorizing the use of the services and facilities of Commodity Credit Corporation in carrying out programs under sec. 6. [NOTE: The corporation has since been dissolved and its functions transferred.] Sec. 6 amended by P.L. 93–13, 87 Stat. 9. Further amended by P.L. 93–150, 87 Stat. 5[illegible]0, approved November 7, 1973.

[6] This sentence was amended by Public Law 91–248, 84 Stat. 209, approved May 14, 1970.

(b) As of February 15 of each fiscal year, the Secretary shall make an estimate of the value of agricultural commodities and other foods that will be delivered during that fiscal year to States for school food service programs under the provisions of this section, section 416 of the Agricultural Act of 1949, and section 32 of the Act of August 24, 1935. If such estimated value is less than 90 per centum of the value of such deliveries initially programed for that fiscal year, the Secretary shall pay to State educational agencies, by not later than March 15 of that fiscal year, an amount of funds that is equal to the difference between the value of such deliveries initially programed for such fiscal year and the estimated value as of February 15 of such fiscal year of the commodities and other foods to be delivered in such fiscal year. The share of such funds to be paid to each State educational agency shall bear the same ratio to the total of such payment to all such agencies as the number of meals served under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act of 1966 during the preceding fiscal year bears to the total of all such meals served in all the States during such fiscal year: *Provided*, That in any State in which the Secretary directly administers school food service programs in the nonprofit private schools of such State, the Secretary shall withhold from the funds to be paid to any such State under the provisions of this subsection an amount that bears the same ratio to the total of such payment as the number of meals served in nonprofit private schools under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act of 1966 during that fiscal year bears to the total of such meals served in all the schools in such State in such fiscal year. Each State educational agency, and the Secretary in the case of nonprofit private schools in which he directly administers school food service programs, shall promptly and equitably disburse such funds to schools participating in the lunch and breakfast programs under this Act and the Child Nutrition Act of 1966 and such disbursements shall be used by such schools to obtain agricultural commodities and other foods for their food service program. Such food shall be limited to the requirements for lunches and breakfasts for children as provided for in the regulations by the Department of Agriculture under title 7, subtitle (b), chapter II, subchapter (a), parts 210 and 220.

(c) Notwithstanding any other provision of law, the Secretary, until such time as a supplemental appropriation may provide additional funds for the purpose of subsection (b) of this section, shall use funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) to make any payments to States authorized under such subsection. Any section 32 funds utilized to make such payments shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out subsection (b) of this section and such reimbursement shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

(d) Any funds made available under subsection (b) or (c) of this section shall not be subject to the State matching provisions of section 7 of this Act.

(e) For the fiscal year ending June 30, 1975, and subsequent fiscal years, the national average value of donated foods, or cash payments in lieu thereof, shall not be less than 10 cents per lunch, and that amount shall be adjusted on an annual basis each fiscal year after June 30, 1975, to reflect changes in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent. Among those commodities delivered under this section, the Secretary shall give special emphasis to high protein foods, meat, and meat alternates.

PAYMENTS TO STATES

SEC. 7. Funds apportioned to any State pursuant to section 4 or 5 during any fiscal year shall be available for payment to such State for disbursement by the State educational agency, in accordance with such agreements not inconsistent with the provisions of this Act, as may be entered into by the Secretary and such State educational agency, for the purpose of assisting schools of that State during such fiscal year, in supplying (1) agricultural commodities and other foods for consumption by children and (2) nonfood assistance in furtherance of the school lunch program authorized under this Act. Such payments to any State in any fiscal year during the period 1947 to 1950, inclusive, shall be made upon condition that each dollar thereof will be matched during such year by $1 from sources within the State determined by the Secretary to have been expended in connection with the school-lunch program under this Act. Such payments in any fiscal year during the period 1951 to 1955, inclusive, shall be made upon condition that each dollar thereof will be so matched by one and one-half dollars; and for any fiscal year thereafter, such payments shall be made upon condition that each dollar will be so matched by $3. In the case of any State whose per capita income is less than the per capita income of the United States, the matching required for any fiscal year shall be decreased by the percentage which the State per capita income is below the per capita income of the United States. For the purpose of determining whether the matching requirements of this section and section 10, respectively, have been met, the reasonable value of donated services, supplies, facilities and equipment as certified, respectively, by the State educational agency and in case of schools receiving funds pursuant to section 10, by such schools (but not the cost or value of land, of the acquisition, construction, or alteration of buildings of commodities donated by the Secretary, or of Federal contributions), may be regarded as funds from sources within the State expended in connection with the school lunch program. For the fiscal year beginning July 1, 1972, State revenue (other than revenues derived from the program) appropriated or utilized specifically for program purposes (other than salaries and administrative expenses at the State, as distinguished from local level) shall constitute at least 4 per centum of the matching requirements for the preceding fiscal year; for each of the two succeeding fiscal years, at least 6 per centum of the matching requirement for the preceding fiscal year; for each of the subsequent two fiscal years; at least 8 per centum of the matching requirement for the preceding fiscal year; and for each fiscal year thereafter, at least 10 per centum of the matching requirement for the preceding fiscal year.[7] [8] The State revenues made available pursuant to the preceding sentence shall be disbursed to schools, to the extent the State deems practicable, in such manner that each school receives the same proportionate share of such revenues as it receives of the funds apportioned to the State for the same year under sections 4 and 11 of the National School Lunch Act and sections 4 and 5 of the Child Nutrition Act of 1966. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

STATE DISBURSEMENT TO SCHOOLS

SEC. 8. Funds paid to any State during any fiscal year pursuant to sections 4 and 5 shall be disbursed by the State educational agency in accordance with such agreements approved by the Secretary as may be entered into by such State agency and the schools in the State, to those schools in the State which the State educational agency, taking into account need and attendance, determines are eligible to participate in the school-lunch program. Such disbursement to any school shall be made only for the purpose of assisting it to finance the cost of obtaining agricultural commodities and other foods for consumption by children in the school-lunch program and nonfood assistance in connection with such program. Such food costs may include, in addition to the purchase price of agricultural commodities and other foods, the cost of processing, distributing, transporting, storing, or handling thereof. In no event shall such disbursement for food to any school for any fiscal year exceed an amount determined by multiplying the number of lunches served in the school in the school-lunch program under this Act during such year by the maximum Federal food-cost contribution rate for the State, for the type of lunch served, as prescribed by the Secretary. In any fiscal year in which the national average payment per lunch determined under section 4 is increased above the amount prescribed in the previous fiscal year, the maximum Federal food-cost contribution rate, for the type of lunch served, shall be increased by a like amount.[9] Lunch assistance disbursements to schools under this section and under section 11 of this Act may be made in advance or by way of reimbursement in accordance with procedures prescribed by the Secretary.

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

SEC. 9.[10] (a) Lunches served by schools participating in the school-lunch program under this Act shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research; except that such minimum nutritional requirements shall not be construed to prohibit the substitution of foods to accommodate the medical or other special dietary needs of individual students.[11]

---

[7] This sentence was added by Public Law 91-248, 84 Stat. 209, approved May 14, 1970.

[8] Further amended by Public Law 92-433, 86 Stat. 724, approved Sept. 26, 1972.

[9] Amended by P.L. 93-150, 87 Stat. 560, approved November 7, 1973.

[10] Amended by Public Law 91-248, 84 Stat. 210, further amended by Public Law 92-153, 85 Stat. 419, approved Nov. 5, 1971, and by Public Law 92-433, 86 Stat. 724, approved Sept. 26, 1972.

(b) The Secretary, not later than May 15 of each fiscal year, shall prescribe an income poverty guideline setting forth income levels by family size for use in the subsequent fiscal year, and such guideline shall not subsequently be reduced to be effective in such subsequent fiscal year. Any child who is a member of a household which has an annual income not above the applicable family-size income level set forth in the income poverty guideline prescribed by the Secretary shall be served a free lunch. Following the annuoncement by the Secretary of the income poverty guideline for each fiscal year, each State educational agency shall prescribe the income guidelines, by family size, to be used by schools in the State during such fiscal year in making determinations of those children eligible for a free lunch. The income guidelines for free lunches to be prescribed by each State educational agency shall not be less than the applicable family-size income levels in the income poverty guideline prescribed by the Secretary and shall not be more than 25 per centum above such family-size income levels. Each fiscal year, each State educational agency shall also prescribe income guidelines, by family size, to be used by schools in the State during such fiscal year in making determinations of those children eligible for a lunch at a reduced price, not to exceed 20 cents, if a school elects to serve reduced-price lunches. Such income guidelines for reduced-price lunches shall be prescribed at not more than 50 per centum above the applicable family-size income levels in the income poverty guideline prescribed by the Secretary, except that any local school authority having income guidelines for free or reduced price lunches which exceed those allowed by this subsection may continue to use such guidelines for determining eligibility until July 1, 1973, if such guidelines were established prior to July 1, 1972. Local school authorities shall publicly announce such income guidelines on or about the opening of school each fiscal year and shall make determinations with respect to the annual incomes of any household solely on the basis of a statement executed in such form as the Secretary may prescribe by an adult member of such household. No physical segregation of or other discrimination against any child eligible for a free lunch or a reduced-price lunch shall be made by the school nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names, or by other means: *Provided further*, That, beginning with the fiscal year ending June 30, 1974, State educational agencies are authorized to establish income guidelines for reduced-price lunches at not more than 75 per centum above the applicable family size income levels in the income poverty guidelines as prescribed by the Secretary.

(c) School-lunch programs under this Act shall be operated on a nonprofit basis. Each school shall, insofar as practicable, utilize in its lunch program commodities designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or commodities donated by the Secretary. Commodities purchased under the authority of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in the school-lunch program under this Act as well as to other schools carrying out nonprofit school-lunch programs and institutions authorized to receive such commodities. The Secretary is authorized to prescribe terms and conditions respecting the use of commodities donated under such section 32, under section 416 of the Agricultural Act of 1949, as amended, and under section 709 of the Food and Agriculture Act of 1965, as amended, as will maximize the nutritional and financial contributions of such donated commodities in such schools and institutions. The requirements of this section relating to the service of meals without cost or at a reduced cost shall apply to the lunch program of any school utilizing commodities donated under any of the provisions of law referred to in the preceding sentence. None of the requirements of this section in respect to the amount for "reduced cost" meals and to eligibility for meals without cost shall apply to nonprofit private schools which participate in the school lunch program under this Act until such time as the State educational agency, or in the case of such schools which participate under the provisions of section 10 of this Act the Secretary certifies that sufficient funds from sources other than children's payments are available to enable such schools to meet these requirements.

---

[11] Exception added by Public Law 90-302, 82 Stat. 117, approved May 8, 1968.

NONPROFIT PRIVATE SCHOOLS

SEC. 10. If, in any State, the State educational agency is not permitted by law to disburse the funds paid to it under this Act to nonprofit private schools in the State, or is not permitted by law to match Federal funds made available for use by such nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State under sections 4 and 5 of this Act an amount which bears the same ratio to such funds as the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated by all nonprofit private schools participating in the program under this Act within the State, as determined by the Secretary, bears to the participation rate for the State.[12] The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within said State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursement to schools within the State by the State educational agency, including the requirement that any such payment or payments shall be matched, in the proportion specified in section 7 for such State, by funds from sources within the State expended by nonprofit private schools within the State participating in the school-lunch program under this Act. Such funds shall not be considered a partof the funds constituting the matching funds under the terms of section 7:[13] *Provided*, Beginning with the fiscal year ending June 30,

---

[12] Provisions of this sentence substituted for the previous provisions by the Act of Oct. 15, 1962 (Public Law 87-823), [illegible] Stat. 945. Further amended by Public Law 91-248, 84 Stat. 208, approved May 14, 1970.

[13] Amended by Public Law 92-433, 86 Stat. 724, approved Sept. 26, 1972, to revise funding for nonprofit private schools lunch programs to conform with the new performance funding provided for in the school lunch program for public schools.

1974, the Secretary shall make payments from the sums appropriated for any fiscal year for the purposes of section 4 and section 11 of this Act directly to the nonprofit private schools in such State for the same purposes and subject to the same conditions as are authorized or required under this Act with respect to the disbursements by the State educational agencies.

SPECIAL ASSISTANCE

SEC. 11.[14] (a) Except as provided in section 10 of this Act, in each fiscal year each State educational agency shall receive special-assistance payments in an amount equal to the sum of the product obtained by multiplying the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary pursuant to subsection 9(a) of this Act) served free to children eligible for such lunches in schools within that State during such fiscal year by the special-assistance factor for free lunches prescribed by the Secretary for such fiscal year and the product obtained by multiplying the number of lunches served at a reduced price to children eligible for such reduced-price lunches in schools within that State during such fiscal year by the special-assistance factor for reduced-price lunches prescribed by the Secretary for such fiscal year. For the fiscal year beginning July 1, 1973, the Secretary shall prescribe a special-assistance factor for free lunches of not less than 45 cents and a special-assistance factor for reduced-price lunches which shall be 10 cents less than the special-assistance factor for free lunches. The Secretary shall prescribe on July 1 of each fiscal year, and on January 1, of each fiscal year, semiannual adjustments in the national average rates for lunches served under section 4 of the National School Lunch Act and the special-assistance factor for the lunches served under section 11 of the National School Lunch Act, and the national average rates for breakfasts served under section 4 of the Child Nutrition Act of 1966, as amended, that shall reflect changes in the cost of operating a school lunch and breakfast program under these Acts, as indicated by the change in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor: *Provided*, That the initial such adjustment shall reflect the change in the series for food away from home during the period September 1973, through November 1973: *Provided further*, That each subsequent adjustment shall reflect the changes in the series for food away from home for the most recent six-month period for which such data are available: *Provided further*, That such adjustments shall be computed to the nearest one-fourth cent. Notwithstanding the foregoing two sentences, (1) for the fiscal year beginning July 1, 1973, no special assistance factor under this section 11 shall, for any State, be less than the average reimbursement paid for each free lunch (in the case of the special assistance factor for free lunches), or for each reduced price lunch (in the case of the special assistance factor for reduced price lunches) in such State under this section in the fiscal year beginning July 1, 1972; and (2) adjustments required by the sentence immediately preceding this sentence shall be based on the special assistance factors for the fiscal year beginning July 1, 1973, as determined without regard to any increase required by the application of this sentence.

---

[14] This section inserted by Public Law 87-823, 76 Stat. 946, amended by Public Law 91-248, 84 Stat. 211, approved May 14, 1970. Former sec. 11 became the present sec. 12, as amended. Further amended by P.L. 93-150, 87 Stat. 560, approved November 7, 1973.

(b) Except as provided in section 10 of the Child Nutrition Act of 1966, the special-assistance payments made to each State agency during each fiscal year under the provisions of this section shall be used by such State agency to assist schools of that State in financing the cost of providing free and reduced-price lunches served to children pursuant to subsection 9(b) of this Act. The amount of such special assistance funds that a school shall from time to time receive, within a maximum per lunch amount established by the Secretary for all States, shall be based on the need of the school for such special assistance. Such maximum per lunch amount established by the Secretary shall not be less than 60 cents.

(c) Special assistance payments to any State under this section shall be made as provided in the last sentence of section 7 of this Act.

(d) In carrying out this section, the terms and conditions governing the operation of the school lunch program set forth in other sections of this Act, including those applicable to funds apportioned or paid pursuant to section 4 or 5 but excluding the provisions of section 7 relating to matching, shall be applicable to the extent they are not inconsistent with the express requirements of this section.

(e)(1) Not later than January 1 of each year, each State educational agency shall submit to the Secretary, for approval by him as a prerequisite to receipt of Federal funds or any commodities donated by the Secretary for use in programs under this Act and the Child Nutrition Act of 1966, a State plan of child nutrition operations for the following fiscal year, which shall include, as a minimum, a description of the manner in which the State educational agency proposes (A) to use the funds provided under this Act and funds from sources within the State to furnish a free or reduced-price lunch to every needy child in accordance with the provisions of section 9; (B) to extend the school-lunch program under this Act to every school within the State, and (C) to use the funds provided under section 13 of this Act and section 4 of the Child Nutrition Act of 1966 and funds from sources within the State to the maximum extent practicable to reach needy children.

(2) Each school participating in the school-lunch program under this Act shall report each month to its State educational agency the average number of children in the school who received free lunches and the average number of children who received reduced price lunches during the immediately preceding month. Each participating school shall provide an estimate, as of October 1 and March 1 of each year, of the number of children who are eligible for a free or reduced price lunch.

(3) The State educational agency of each State shall report to the Secretary each month the average number of children in the State who receive free lunches and the average number of children in the State who received reduced price lunches during the immediately preceding month. Each State educational agency shall provide an estimate as of October 1 and March 1 of each year, of the number of children who are eligible for a free or reduced price lunch.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

SEC. 12.[15] (a) States, State educational agencies, and schools participating in the school-lunch program under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether the provisions of this Act are being complied with. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

(b) The Secretary shall incorporate, in his agreements with the State educational agencies, the express requirements under this Act with respect to the operation of the school-lunch program under this Act insofar as they may be applicable and such other provisions as in his opinion are reasonably necessary or appropriate to effectuate the purpose of this Act.

(c) In carrying out the provisions of the Act, neither the Secretary nor the State shall impose any requirement with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction in any school.

(d) For the purposes of this Act—

(1) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa.

(2) "State educational agency" means, as the State legislature may determine, (A) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (B) a board of education controlling the State department of education; except that in the District of Columbia it shall mean the Board of Education.

(3) "Nonprofit private school" means any private school exempt from income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

(4) "Nonfood assistance" means equipment used by schools in storing, preparing, or serving food for school children.

(5)[16] "Participation rate" for a State means a number equal to the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated by schools participating in the program under this Act in the State, as determined by the Secretary.

(6) "Assistance need rate" (A) in the case of any State having an average annual per capita income equal to or greater than the average annual per capita income for all the States, shall be 5; and (B) in the case of any State having an average annual per capita income less than the average annual per capita income for all the States, shall be the product of 5 and the quotient obtained by dividing the average annual per capita income for all the States

---

[15] This sec. was previously sec. 11. Subsections (d) (1) through (4) were amended, and subsections (d) (5) and (6), added, by the act of Oct. 15, 1962, Public Law 87–823, 76 Stat. 945.

[16] Subsection 12(d)(5) was amended by Public Law 91–248, 84 Stat. 207, approved May 14, 1970.

by the average annual per capita income for all the States by the average annual per capita income for such State, except that such product may not exceed 9 for any such State. For the purposes of this paragraph (i) the average annual per capita income for any State and for all the States shall be determined by the Secretary on the basis of the average annual per capita income for each State and for all the States for the three most recent years for which such data are available and certified to the Secretary by the Department of Commerce; and (ii) the average annual per capita income for American Samoa shall be disregarded in determining the average annual per capita income for all the States for periods ending before July 1, 1967.

(7) "School" means any public or nonprofit private school of high school grade or under and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico.

SPECIAL FOOD SERVICE PROGRAM FOR CHILDREN

SEC. 13.[17] (a)(1) [18] There is hereby authorized to be appropriated such sums as are necessary for each of the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, to enable the Secretary to formulate and carry out a program to assist States through grants-in-aid and other means, to initiate, maintain, or expand nonprofit food service programs for children in service institutions. For purposes of this section, the term "service institutions" means private, nonprofit institutions or public institutions, such as child day-care centers, settlement houses, or recreation centers, which provide day care, or other child care where children are not maintained in residence, for children from areas in which poor economic conditions exist and from areas in which there are high concentrations of working mothers, and includes public and private nonprofit institutions providing day care services for handicapped children.

(2) [19] Subject to all the provisions of this section, the term "service institutions" also includes public or private nonprofit institutions that develop special summer programs providing food service similar to that available to children under the National School Lunch or School Breakfast Programs during the school year, including such institutions providing day care for handicapped children. To the maximum extent feasible, consistent with the purposes of this section, special summer programs shall utilize the existing food services facilities of public and nonprofit private schools.

(b)(1) Of the funds appropriated for the purposes of this section for any fiscal year, the Secretary shall reserve 2 per centum for apportionment to Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands. Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands shall each be paid an amount which bears the same ratio to the total of such reserved funds as the number of children aged three to seventeen, inclusive, in each bears to the total number of children of such ages in all of them.

---

[17] Sec. 13 was added by Public Law 90-302, 82 Stat. 117, approved May 8, 1968.

[18] Sec. 13(a)(1) was amended by Public Law 92-32, 85 Stat. 85, approved June 30, 1971, and Public Law 92-433, 86 Stat. 724, approved Sept. 26, 1972.

[19] Sec. 13(a)(2) was amended by Public Law 92-433, 86 Stat. 724, approved Sept. 26, 1972, by adding the last sentence.

(2) From the remainder of the funds appropriated for any fiscal year, the Secretary shall pay to each State such sums as he deems appropriate, but not more than $50,000, as a basic grant. In addition, the Secretary shall allot to each State from the funds remaining after the basic grants have been made an amount which bears the same ratio to such remaining funds as the number of children in that State aged three to seventeen, inclusive in families with incomes of less than $3,000 per annum bears to the total number of such children in all the States. For the purposes of this paragraph, the term "State" does not include Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(c) (1) Funds paid to any State under this section shall be disbursed by the State educational agency to service institutions, selected on a nondiscriminatory basis by the State educational agency, (A) to reimburse the service institutions for the cost of obtaining agricultural commodities and other foods, and (B) for the purposes of paragraphs (2) and (3) of this subsection. The costs of obtaining agricultural commodities and other foods may include the cost of the processing, distributing, transporting, or handling thereof. Disbursement to participating service institutions shall be made at such rate of reimbursement per meal as the Secretary shall prescribe.

(2)[20] In circumstances of severe need where the rate per meal established by the Secretary is insufficient to carry on an effective feeding program, the Secretary may authorize financial assistance not to exceed 80 per centum of the operating costs of such a program, including the cost of obtaining, preparing, and serving food. Non-Federal contributions may be in cash or kind, fairly evaluated, including but not limited to equipment and services. In the selection of institutions to receive assistance under this subsection, the State educational agency shall require the applicant institutions to provide justification of the need for such assistance.

(3) Not to exceed 25 per centum of the funds paid to any State may be used by the State to assist service institutions by paying not to exceed 75 per centum of the cost of the purchase or rental of equipment other than land and buildings, for the storage, preparation, transportation, and serving of food to enable the service institutions to establish, maintain, and expand food service under this section.

(d) If in any State the State educational agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any service institution in the State, the Secretary shall withhold all funds apportioned under this section and shall disburse the funds so withheld directly to service institutions in the State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section.

(e) Notwithstanding the provisions of any other law, balances of funds appropriated for the purposes of this section and unobligated at the end of any fiscal year shall remain available for obligation during the first three months of the following fiscal year.

---

[20] Sec. 13(c)(2) was amended by Public Law 92–32, 85 Stat. 85, approved June 30, 1971.

(f)[21] Service institutions to which funds are disbursed under this section shall serve meals consisting of a combination of foods and meeting minimum nutritional standards prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served without cost or at a reduced cost to children determined by the service institutions to be unable to pay the full cost. Such determinations shall be made by the service institution authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions. In making such determination, service institution authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation or other discrimination against any child shall be made because of his inability to pay nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names, or other means.

(g) If any State cannot utilize all funds apportioned to it, or if additional funds are made available for apportionment among the States, under this section, the Secretary shall make further apportionments to the remaining States in the manner prescribed in subsection (b).

(h)(1) The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section of the Act and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

(2) Each service institution participating under this section shall, insofar as practicable, utilize in its program foods designated from time to time by the Secretary as being in abundance, either nationally or in the institution area, or foods donated by the Secretary. Irrespective of the amount of funds appropriated under this section, foods available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) or purchased under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), or section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a-1), may be donated by the Secretary to service institutions in accordance with the needs as determined by authorities of these institutions for utilization in their feeding programs.

(3) The value of assistance to children under this section shall not be considered to be income or resources for any purpose under any Federal or State laws, including laws realting to taxation and welfare and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this section.

(4) There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expenses under this section.

(5) States, State educational agencies, and service institutions participating in programs under this section shall keep such accounts and records as may be necessary to enable the Secretary to determine

---

[21] Subsection (f) was amended by Public Law 91-248, 84 Stat. 210, approved May 14, 1970.

whether there has been compliance with this section and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

(i) [22] Notwithstanding any other provision of law, the Secretary of Agriculture is authorized to utilize, during the period May 15 to September 15, 1972, not to exceed $25,000,000 from funds available during the fiscal years 1972 and 1973 under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to carry out the purposes of this section. Funds expended under the provisions of this paragraph shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out section 13 of the National School Lunch Act, and such reimbursements shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32. Funds made available under this subsection shall be in addition to direct appropriations or other funds available for the conduct of summer food service programs for children.

TEMPORARY EMERGENCY ASSISTANCE TO PROVIDE NUTRITIOUS MEALS TO NEEDY CHILDREN IN SCHOOLS

SEC. 13A. Notwithstanding any other provision of law, under such terms and conditions as he deems in the public interest, the Secretary of Agriculture is authorized to use an additional amount, not to exceed $30,000,000, of funds from section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to supplement funds heretofore made available to carry out programs during the fiscal year 1970 to improve the nutrition of needy children in public and nonprofit private schools participating in the national school lunch program under this Act or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

SEC. 14. Notwithstanding any other provision of law, the Secretary, during the period beginning July 1, 1974, and ending June 30, 1975, shall—

(1) use funds available to carry out the provisions of section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) which are not expended or needed to carry out such provisions, to purchase (without regard to the provisions of existing law governing the expenditure of public funds) agricultural commodities and their products of the types customarily purchased under such section, for donation to maintain the annually programmed level of assistance for programs carried on under this Act, the Child Nutrition Act of 1966, and title VII of the Older Americans Act of 1965; and

(2) if stocks of the Commodity Credit Corporation are not available, use the funds of such Corporation to purchase agricultural commodities and their products of the types customarily available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), for such donation.

---

[22] Subsection (i) was added by Public Law 92-433, 86 Stat. 724, approved Sept. 26, 1972.

SEC. 15.[23] (a) There is hereby established a council to be known as the National Advisory Council on Child Nutrition (hereinafter in this section referred to as the "Council") which shall be composed of fifteen members appointed by the Secretary. One member shall be a school administrator, one member shall be a person engaged in child welfare work, one member shall be a person engaged in vocational education work, one member shall be a nutrition expert, one member shall be a school food service management expert, one member shall be a State superintendent of schools (or the equivalent thereof), one member shall be a supervisor of a school lunch program in a school system in an urban area (or the equivalent thereof), one member shall be a supervisor of a school lunch program in a school system in a rural area, one member shall be a State school lunch director (or the equivalent thereof), one member shall be a person serving on a school board, one member shall be a classroom teacher, and four members shall be officers or employees of the Department of Agriculture specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to child food programs.

(b) The eleven members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that the nine members first appointed to the Council shall be appointed as follows: Three members shall be appointed for terms of three years, three members shall be appointed for terms of two years, and three members shall be appointed for terms of one year. Thereafter all appointments shall be for a term of three years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

(c) The Secretary shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Council.

(d) The Council shall meet at the call of the Chairman but shall meet at least once a year.

(e) Eight members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

(f) It shall be the function of the Council to make a continuing study of the operation of programs carried out under the National School Lunch Act, the Child Nutrition Act of 1966, and any related Act under which meals are provided for children, with a view to determining how such programs may be improved. The Council shall submit to the President and the Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

(g) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

(h) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council.

---

[23] Sec. 14 was added by Public Law 91-248, 84 Stat. 213, approved May 14, 1970. Amended by P.L. 93-150, 87 Stat. 560, approved November 7, 1973.

SEC. 15.[24] (a) In addition to funds appropriated or otherwise available, the Secretary is authorized to use, during the fiscal year ending June 30, 1971, not to exceed $35,000,000 in funds from Section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to carry out the provisions of this Act, and during the fiscal year ending June 30, 1972, not to exceed $100,000,000 in funds from such section 32 to carry out the provisions of this Act relating to the service of free and reduced-price meals to needy children in schools and service institutions.

(b) Any funds unexpended under this section at the end of the fiscal year ending June 30, 1971, or at the end of the fiscal year ending June 30, 1972, shall remain available to the Secretary in accordance with the last sentence of section 3 of this Act, as amended.

CHILD NUTRITION ACT OF 1966

AN ACT To strengthen and expand food service programs for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Nutrition Act of 1966".[1]

DECLARATION OF PURPOSE

SEC. 2. In recognition of the demonstrated relationship between food and good nutrition and the capacity of children to develop and learn, based on the years of cumulative successful experience under the national school lunch program with its significant contributions in the field of applied nutrition research it is hereby declared to be the policy of Congress that these efforts shall be extended, expanded, and strengthened under the authority of the Secretary of Agriculture as a measure to safeguard the health and well-being of the Nation's children, and to encourage the domestic consumption of agricultural and other foods, by assisting States, through grants-in-aid and other means, to meet more effectively the nutritional needs of our children.

SPECIAL MILK PROGRAM AUTHORIZATION

SEC. 3.[2] There is hereby authorized to be appropriated for the fiscal year ending June 30, 1970, and for each succeeding fiscal year, not to exceed $120,000,000, to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this section "United States" means the fifty States, Guam, and the District of Columbia. The Secretary shall administer the special milk program provided for by this section to the maximum extent practicable in the same manner as he administered the special milk program provided for by Public Law 89–642, as amended, during the fiscal year ending June 30, 1969. Any school or nonprofit child care institution shall receive the special milk program upon their request. Children that qualify for free lunches under guidelines set forth by the Secretary shall also be eligible for free milk.

---

[24] Section 15 was added by Public Law 92–32, 85 Stat. 85, approved June 30, 1971.

[1] Public Law 89–642, 80 Stat. 885, approved Oct. 11, 1966.

[2] Amended by Public Law 91–295, 84 Stat. 336, approved June 30, 1970 after the time prescribed by the Constitution of the United States for Presidential approval had expired without such approval.

SCHOOL BREAKFAST PROGRAM AUTHORIZATION

SEC. 4.[3] (a)[4] There is hereby authorized to be appropriated such sums as are necessary for the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, to enable the Secretary to carry out a program to assist the States through grants-in-aid and other means to initiate, maintain, or expand nonprofit breakfast programs in all schools which make application for assistance and agree to carry out a nonprofit brekfast program in accordance with this Act. Appropriations and expenditures for this Act shall be considered Health, Education, and Welfare functions for budget purposes rather than functions of Agriculture.

APPORTIONMENT TO STATES

(b) Of the funds appropriated for the purposes of this section, the Secretary shall for the fiscal year ending June 30, 1973, (1) apportion $2,600,000 equally among the States other than Guam, the Virgin Islands, and American Samoa and $45,000 equally among Guam, the Virgin Islands, and American Samoa, and (2) apportion the remainder among the States in accordance with the apportionment formula contained in section 4 of the National School Lunch Act, as amended. For each fiscal year beginning with the fiscal year ending June 30, 1974, the Secretary shall make breakfast assistance payments, at such times as he may determine, from the sums appropriated therefor, to each State educational agency, in a total amount equal to the result obtained by (1) multiplying the number of breakfasts (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary pursuant to subsection (e) of this section) served during such fiscal year to children in schools in such States which participate in the breakfast program under this section under agreements with such State educational agency by a national average breakfast payment prescribed by the Secretary for such fiscal year to carry out the purposes of this section; (2) multiplying the number of such breakfasts served free to children eligible for free breakfasts in such schools during such fiscal year by a national average free breakfast payment prescribed by the Secretary for such fiscal year to carry out the purposes of this section; and (3) multiplying the number of reduced price breakfasts served to children eligible for reduced price breakfasts in such schools during such fiscal year by a national average reduced price breakfast payment prescribed by the Secretary for such fiscal year to carry out the provisions of this section: *Provided*, That in any fiscal year the aggregate amount of the breakfast assistance payments made by the Secretary to each State eductional agency for any fiscal year shall not be less than the amount of the payments made by the State educational agency to participating schools within the State for the fiscal year ending June 30, 1972, to carry out the purposes of this section. The national average payment established by the Secretary for all breakfasts served to eligible children shall not be less than 8 cents; an amount of not less than 15 cents shall be added for each reduced-price breakfast; and an amount of not less than 20 cents shall be added for each free breakfast. In cases of severe need, a payment of up to 45 cents may be made for each breakfast served to children qualifying for a free breakfast.

---

[3] Amended by Public Law 90-302, 82 Stat. 119, approved May 8, 1968.

[4] Amended by Public Law 92-32, 85 Stat. 85, approved June 30, 1971, and by Public Law 92-433, 86 Stat. 724, approved Sept. 26, 1972.

STATE DISBURSEMENT TO SCHOOL

(c)[5] Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to schools selected by the State educational agency to assist such schools in financing the costs of operating a breakfast program and for the purpose of subsection (d). Disbursement to schools shall be made at such rates per meal or on such other basis as the Secretary shall prescribe. In selecting schools for participation, the State educational agency shall, to the extent practicable, give first consideration to those schools drawing attendance from areas in which poor economic conditions exist, to those schools in which a substantial proportion of the children enrolled must travel long distances daily, and to those schools in which there is a special need for improving the nutrition and dietary practices of children of working mothers and children from low-income families. Breakfast assistance disbursements to schools under this section may be made in advance or by way of reimbursement in accordance with procedures prescribed by the Secretary.

(d) In circumstances of severe need where the rate per meal established by the Secretary is deemed by him insufficient to carry on an effective breakfast program in a school, the Secretary may authorize financial assistance up to 100 per centum of the operating costs of such a program, including costs of obtaining, preparing, and serving food. In the selection of schools to receive assistance under this section, the State educational agency shall require applicant schools to provide justification of the need for such assistance.

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

(e)[6] Breakfasts served by schools participating in the school breakfast program under this section shall consist of a combination of foods and shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such breakfasts shall be served free or at a reduced price to children in school under the same terms and conditions as are set forth with respect to the service of lunches free or at a reduced price in section 9 of the National School Lunch Act.

NONPROFIT PRIVATE SCHOOLS

(f) For the fiscal year ending June 30, 1973, any withholding of funds for and disbursement to nonprofit private schools shall be effected in the manner used prior to such fiscal year. Beginning with the fiscal year ending June 30, 1974, the Secretary shall make payments from the sums appropriated for any fiscal year for the purposes of this section directly to the nonprofit private schools within a State, that participate in the breakfast program under an agreement with the Secretary, for the same purposes and subject to the same conditions as are authorized or required under this section with respect to the disbursements by State educational agencies.

---

[5] Subsecs. (a) and (b) were amended by Public Law 92–32, 85 Stat. 85, approved June 30, 1971.

[6] Subsecs. (e) and (f) were amended by Public Law 92–248, 84 Stat. 210, approved May 14, 1970, and by Public Law 92–32, and by Public Law 92–433, 86 Stat. 724, Sept. 26, 1972.

NONFOOD ASSISTANCE PROGRAM AUTHORIZATION

SEC. 5.[7] (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1971, not to exceed $38,000,000, for the fiscal year ending June 30, 1972, not to exceed $33,000,000, for each of the three fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, not to exceed $40,000,000 and for each succeeding fiscal year, not to exceed $40,000,000, to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools drawing attendance from areas in which poor economic conditions exist with equipment, other than land or buildings, for the storage, preparation, transportation, and serving of food to enable such schools to establish, maintain, and expand school food service programs. In the case of a nonprofit private school, such equipment shall be for use of such school principally in connection with child feeding programs authorized in this Act and in the National School Lunch Act, as amended, and in the event such equipment is no longer so used, it may be transferred to another nonprofit private school participating in any of such programs or to a public school participating in any of such programs, or failing either of these dispositions, that part of such equipment financed with Federal funds, or the residual value thereof, shall revert to the United States.

(b) Except for the funds reserved under subsection (e) of this section, the Secretary shall apportion the funds appropriated for the purposes of this section among the States on the basis of the ratio that the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary pursuant to section 9 of the National School Lunch Act) served in each State in the latest preceding fiscal year for which the Secretary determines data are available at the time such funds are apportioned bears to the total number of such lunches served in all States in such preceding fiscal year. If any State cannot utilize all of the funds apportioned to it under the provisions of this subsection, the Secretary shall make further apportionments to the remaining States in the maner set forth in this subsection for apportioning funds among all the States. Payments to any State of funds apportioned under the provisions of this subsection for any fiscal year shall be made upon condition that at least one-fourth of the cost of equipment financed under this subsection shall be borne by funds from sources within the State.

STATE DISBURSEMENT TO SCHOOLS

(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to assist schools, which draw attendance from areas in which poor economic conditions exist and which have no, or grossly inadequate equipment, to conduct a school food service program, and to acquire such equipment. In the selection of schools to receive assistance under this section, the State educational agency shall require applicant schools to provide justification of the need for such assistance and the inability of the school to finance the food service equipment needed. Disbursements to any school may be made by advances or reimbursements, only after approval by the State educational agency of a request by the school for funds, accompanied by a detailed description of the equipment to be acquired and the plans for the use thereof in effectively meeting the nutritional needs of children in the school.

---

[7] Subsec. (a) was amended by Public Law 91-248, 84 Stat. 2[illegible] approved May 14, 1970, and Public Law 92-433, 86 Stat. 724, approved Sept. 26, 1[illegible] Subsec. (a) was amended by Public Law 91-248. Further amended by Public Law 92-[illegible].

NONPROFIT PRIVATE SCHOOLS

(d)[7a] If, in any State, the State educational agency is prohibited by law from administering the program authorized by this section in nonprofit private schools within the State, the Secretary shall administer such program in such private schools. In such event, the Secretary shall withhold from the funds apportioned to any such State under the provisions of subsection (b) of this section an amount which bears the same ratio to such funds as the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary pursuant to section 9(a) of the National School Lunch Act) served in nonprofit private schools in such State in the latest preceding fiscal year for which the Secretary determines data are available at the time such funds are withheld bears to the total number of such lunches served in all schools within such State in such preceding fiscal year.

RESERVE OF FUNDS

(e) In each of the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, 50 per centum of the funds appropriated for the purposes of this section shall be reserved by the Secretary to assist schools without a food service. The Secretary shall apportion the funds so reserved among the States on the basis of the ratio of the number of children enrolled in schools without a food service in the State for the latest fiscal year for which the Secretary determines data are available at the time such funds are apportioned to the total number of children enrolled in schools without a food service in all States in such fiscal year. In those States in which the Secretary administers the nonfood assistance program in nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State under this subsection an amount which bears the same ratio to such funds as the number of children enrolled in nonprofit private schools without a food service in such State for the latest fiscal year for which the Secretary determines data are available at the time such funds are withheld bears to the total number of children enrolled in all schools without food service in such State in such fiscal year. The funds reserved, apportioned, and withheld under the authority of this subsection shall be used by State educational agencies, or the Secretary in the case of nonprofit private schools, only to assist schools without a food service. If any State cannot utilize all the funds apportioned to it under the provisions of this subsection to assist schools in the State without a food service, the Secretary shall make farther apportionments to the remaining States in the same manner set forth in this subsection for apportioning funds among all the States and such remaining States, or the Secretary in the case of nonprofit private schools, shall use the additional funds so apportioned or withheld only to assist schools in the State without a food service. Payments to any State of the funds apportioned under the provisions of this paragraph shall be made upon condition that at least one-fourth of the cost of equipment financed, shall be borne by funds from sources within the State, except that such condition shall not apply with respect to funds used under this section to assist schools without food service if such schools are especially needy, as determined by the State.

[7a] Subsec. 5(d) and (e) were amended by Public Law 92-433, 86 Stat. 724, approved Sept. 26, 1972.

PAYMENTS TO STATES

SEC. 6. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under sections 3 through 7 of this Act and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

STATE ADMINISTRATIVE EXPENSES

SEC. 7.[8] The Secretary may utilize funds appropriated under this section for advances to each State educational agency for use for its administrative expenses or for the administrative expenses of any other designated State agency in supervising and giving technical assistance to the local school districts and service institutions in their conducting of programs under this Act and under sections 11 and 13 of the National School Lunch Act. Such funds shall be advanced only in amounts and to the extent determined necessary by the Secretary to assist such State agencies in the administration of additional activities undertaken by them under sections 11 and 13 of the National School Lunch Act, as amended, and sections 4 and 5 of this Act including additional activities undertaken in the distribution of donated commodities. There are hereby authorize to be appropriated such sums as may be necessary for the purposes of this section.

UTILIZATION OF FOODS

SEC. 8. Each school participating under section 4 of this Act shall, insofar as practicable, utilize in its program foods designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or foods donated by the Secretary. Foods available under section 416 of the Agricultural Act of 1949 (63 Stat. 1058), as amended, or purchased under section 32 of the Act of August 24, 1935 (49 Stat. 774) as amended, or section 709 of the Food and Agriculture Act of 1965 (79 Stat. 1212) may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in their feeding programs under this Act.

---

[8] Sec. 7 was amended by Public Law 90–302, 82 Stat. 119, approved May 8, 1968, further amended by Public Law 91–248, 84 Stat. 210, approved May 14, 1970.

NONPROFIT PROGRAMS

SEC. 9. The food and milk service programs in schools and nonprofit institutions receiving assistance under this Act shall be conducted on a nonprofit basis.

REGULATIONS

SEC. 10.[9] The Secretary shall prescribe such regulations as he may deem necessary to carry out this Act and the National School Lunch Act, including regulations relating to the service of food in participating schools and service institutions in competition with the programs authorized under this Act and the National School Lunch Act. Such regulations shall not prohibit the sale of competitive foods in food service facilities or areas during the time of service of food under this Act or the National School Lunch Act if the proceeds from the sales of such foods will inure to the benefit of the schools or of organizations of students approved by the schools. In such regulations the Secretary may provide for the transfer of funds by any State between the programs authorized under this Act and the National School Lunch Act on the basis of an approved State plan of operation for the use of the funds and may provide for the reserve of up to 1 per centum of the funds available for apportionment to any State to carry out special developmental projects.

PROHIBITIONS

SEC. 11. (a) In carrying out the provisions of sections 3 through 5 of this Act, neither the Secretary nor the State shall impose any requirements with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction.

(b) The value of assistance to children under this Act shall not be considered to be income or resources for any purpose under any Federal or State laws including, but not limited to, laws relating to taxation, welfare, and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this Act.

PRESCHOOL PROGRAMS

SEC. 12. The Secretary may extend the benefits of all school feeding programs conducted and supervised by the Department of Agriculture to include preschool programs operated as part of the school system.

CENTRALIZATION OF ADMINISTRATION

SEC. 13. Authority for the conduct and supervision of Federal programs to assist schools in providing food service programs for children is assigned to the Department of Agriculture. To the extent practicable, other Federal agencies administering programs under which funds are to be provided to schools for such assistance shall transfer such funds to the Department of Agriculture for distribution through the administrative channels and in accordance with the standards established under this Act and the National School Lunch Act.

---

[9] Sec. 10 was amended by Public Law 91-248, and by Public Law 92-433, 86 Stat. 724, Sept. 26, 1972.

SEC. 14. There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expense under this Act.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

SEC. 15. For the purposes of this Act—

(a) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.

(b) "State educational agency" means, as the State legislature may determine, (1) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (2) a board of education controlling the State department of education.

(c) "Nonprofit private school" means any private school exempt from income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

(d) "School" means any public or nonprofit private school of high school grade or under, including kindergarten and preschool programs operated by such school and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico.

(e) "Secretary" means the Secretary of Agriculture.

ACCOUNTS AND RECORDS

SEC. 16. States, State educational agencies, schools, and nonprofit institutions participating in programs under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this Act and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines is necessary.

SPECIAL SUPPLEMENTAL FOOD PROGRAM

SEC. 17.[10] (a) During each of the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, the Secretary shall make cash grants to the health department or comparable agency of each State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare for the purpose of providing funds to local health or welfare agencies or private nonprofit agencies of such State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare serving local health or welfare needs to enable such agencies to carry out a program under which supplemental foods will be made available to pregnant or lactating women and to infants determined by competent professionls to be nutritional risks because of inadequate nutrition and inadequate income. Such program shall be operated for a three-year period and may be carried out in any area of the United States without regard to whether a food stamp program or a direct food distribution program is in effect in such area.

---

[10] Sec. 17 was added by Public Law 92–433, 86 Stat. 724, approved Sept. 26, 1972.

(b) In order to carry out the program provided for under subsection (a) of this section during the fiscal year ending June 30, 1973, the Secretary shall use $20,000,000 out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). In order to carry out such program during the fiscal year ending June 30, 1974, there is authorized to be appropriated the sum of $20,000,000, but in the event that such sum has not been appropriated for such purpose by August 1, 1973, the Secretary shall use $20,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose and $20,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). In order to carry out such program during the fiscal year ending June 30, 1975, there is authorized to be appropriated the sum of $100,000,000, but in the event that such sum has not been appropriated for such purpose by August 1, 1974, the Secretary shall use $100,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose and $100,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). Any funds expended from such section 32 to carry out the provisions of subsection (a) of this section shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out the provisions of such subsection, and such reimbursements shall be deposited into the fund established pursuant to such section 32, to be available for the purpose of such section.

(c) Whenever any program is carried out by the Secretary under authority of this section through any State or local or nonprofit agency, he is authorized to pay admministrative costs not to exceed 10 per centum of the Federal funds provided under the authority of this section.

(d) The eligibility of persons to participate in the program provided for under subsection (a) of this section shall be determined by competent professional authority. Participants shall be residents of areas served by clinics or other health facilities determined to have significant numbers of infants and pregnant and lactating women at nutritional risk.

(e) State or local agencies or groups carrying out any program under this section shall maintain adequate medical records on the participants assisted to enable the Secretary to determine and evaluate the benefits of the nutritional assistance provided under this section. The Secretary and Comptroller General of the United States shall submit preliminary evaluation reports to the Congress not later than October 1, 1974; and not later than March 30, 1975, submit reports containing an evaluation of the program provided under this section and making recommendations with regard to its continuation.

(f) As used in this section—

(1) "Pregnant and lactating women" when used in connection with the term at "nutrition risk" includes mothers from low-income populations who demonstrate one or more of the following characteristics: known inadequate nutritional patterns, unacceptably high incidence of anemia, high prematurity rates, or inadequate patterns of growth (underweight, obesity, or stunting). Such term (when used in connection with the term "at nutritional risk") also includes low-income individuals who have a history of high-risk pregnancy as evidenced by abortion, premature birth, or severe anemia.

(2) "Infants" when used in connection with the term "at nutritional risk" means children under four years of age who are in low-income populations which have shown a deficient pattern of growth, by minimally acceptable standards, as reflected by an excess number of children in the lower percentiles of height and weight. Such term, when used in connection with "at nutritional risk", may also include (at the discretion of the Secretary) children under four years of age who (A) are in the parameter of nutritional anemia, or (B) are from low-income populations where nutritional studies have shown inadequate infant diets.

(3) "Supplemental foods" shall mean those foods containing nutrients known to be lacking in the diets of populations at nutritional risks and, in particular, those foods and food products containing high-quality protein, iron, calcium, vitamin A, and vitamin C. Such term may also include (at the discretion of the Secretary) any food product commercially formulated preparation specifically designed for infants.

(4) "Competent professional authority" includes physicians, nutritionists, registered nurses, dieticians, or State or local medically trained health officials, or persons designated by physicians or State or local medically trained health officials as being competent professionally to evaluate nutritional risk.

SECTION 4 OF THE ACT OF SEPTEMBER, 1972

(PUBLIC LAW 92–433) [11]

ADDITIONAL MISCELLANEOUS PROVISIONS

SEC. 4.[12] (a) Notwithstanding any other provision of law, the Secretary of Agriculture shall until such time as a supplemental appropriation may provide additional funds for such purpose use so much of the funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)), as may be necessary, in addition to the funds available therefor, to carry out the purposes of section 4 of the National School Lunch Act and provide an average rate of reimbursement of not less than 8 cents per meal within each State during the fiscal year 1973. Funds expended under the foregoing provisions of this section shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out section 4 of the National School Lunch Act, and such reimbursements shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

---

[11] Public Law 92–433, 86 Stat. 724, requires a survey and report by the Secretary of Agriculture on unmet needs for food service equipment in schools eligible for equipment assistance to the Congress by June 30, 1973.

[12] Sec. 4 was added by Public Law 92–433, 86 Stat. 724, approved Sept. 26, 1972.

(b) Funds made available pursuant to this section shall be apportioned to the States in such manner as will best enable schools to meet their obligations with respect to the service of free and reduced-price lunches and to meet the objective of this section with respect to providing a minimum rate of reimbursement under section 4 of the National School Lunch Act, and such funds shall be apportioned and paid as expeditiously as may be practicable.

SECTION 7 OF THE ACT OF NOVEMBER 5, 1971

(PUBLIC LAW 92-153) [13]

SEC. 7. In addition to any other authority given to the Secretary he is hereby authorized to transfer funds from section 32 of the Act of August 24, 1935, for the purpose of assisting schools which demonstrate a need for additional funds in the school breakfast program.

[NOTE.—With the exception of sec. 4 of this Act which amends section 11(e) of the National School Lunch Act, and Section 7 supra, Public Law 92-153 expired June 30, 1971.]

SECTION 32—ACT OF AUGUST 24, 1935

(PUBLIC LAW 74-320)[1]

SEC. 32. There is hereby appropriated for each fiscal year beginning with the fiscal year ending June 30, 1936, an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws during the period January 1 to December 31, both inclusive, preceding the beginning of each such fiscal year.[2] Such sums shall be maintained in a separate fund and shall be used by the Secretary of Agriculture only to (1) encourage the exportation of agricultural commodities and products thereof by the payment of benefits in connection with the exportation thereof or of indemnities for losses incurred in connection with such exportation or by payments to producers in connection with the production of that part of any agricultural commodity required for domestic consumption; (2) encourage the domestic consumption of such commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce or by increasing their utilization through benefits, indemnities, donations or by other means, among persons in low-income groups as determined by the Secretary of Agriculture; and (3) reestablish farmers' purchasing power by making payments in connection with the normal production of any agricultural commodity for domestic consumption. Determinations by the Secretary as to what constitutes diversion and what constitutes normal channels of trade and commerce and what constitutes normal production for domestic consumption shall be final.

---

[13] Public Law 92-153, 85 Stat. 419, approved Nov. 5, 1971, was a joint resolution to assure that every needy schoolchild receive a free or reduced price lunch as required by sec. 9 of the National School Lunch Act.

[1] The Act of August 24, 1935, 49 Stat. 750, 774. Although this section has been amended a number of times. The purposes of Section 32—through payments or indemnities is to encourage the exportation and domestic consumption of agricultural commodities and products and to reestablish farmers' purchasing power in connection with the normal production of agricultural commodities—remains basically the same since February 29, 1936. Authority to encourage consumption of agricultural commodities and products by their utilization among persons in low-income groups was added by amendment of clause (2) in 1939 (53 Stat. 975). Later amendments are noted.

Surplus agricultural commodities purchased under clause (2) may be donated for relief purposes and for use in nonprofit summer camps for children under the Act of June 28, 1937, and may be donated to schools and service institutions under sections 9 and 13 of the National School Lunch Act, as amended, and section 8 of the Child Nutrition Act of 1966.

[2] Section 205 of the Agricultural Act of 1956 authorized the appropriation for each fiscal year, beginning with the fiscal year ending June 30, 1957, of $500,000,000 to enable the Secretary of Agriculture to further carry out the provisions of Section 32, subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 percent of the $500,000,000 may be devoted during any fiscal year to any one agricultural commodity or the products thereof.

The sums appropriated under this section shall be expended for such one or more of the above-specified purposes, and at such times, in such manner, and in such amounts as the Secretary of Agriculture finds will effectuate substantial accomplishment of any one or more of the purposes of this section.[3] Notwithstanding any other provision of this section, the amount that may be devoted, during any fiscal year after June 30, 1939, to any one agricultural commodity or the products thereof in such fiscal year, shall not exceed 25 per centum of the funds available under this section for such fiscal year. The sums appropriated under this section shall be devoted principally to perishable nonbasic agricultural commodities (other than those receiving price support under title II of the Agricultural Act of 1949)[4] and their products.[5] The sums appropriated under this section shall, notwithstanding the provisions of any other law, continue to remain available for the purposes of this section until expended; but any excess of the amount remaining unexpended at the end of any fiscal year over $300,000,000 shall, in the same manner as though it had been appropriated for the service of such fiscal year, be subject to the provisions of section 3690[6] of the Revised Statutes (U.S.C., title 31, sec. 712), and section 5[6] of the Act entitled "An Act making appropriations for the legislative, executive, and judicial expenses of the Government for the year ending June thirtieth, eighteen hundred and seventy-five and for other purposes" (U.S.C., title 31, sec. 714).[7] (7 U.S.C. 612c)

SECTION 416—AGRICULTURAL ACT OF 1949

(PUBLIC LAW 81–439)

DISPOSITION OF COMMODITIES TO PREVENT WASTE

SEC. 416.[1] In order to prevent the waste of commodities whether in private stocks or[2] acquired through price-support operations by the Commodity Credit Corporation before they can be disposed of in normal domestic channels without impairment of the price-support program or sold abroad at competitive world prices, the Commodity Credit Corporation is authorized, on such terms and under such regulations as the Secretary may deem in the public interest: (1) upon application, to make such commodities available to any Federal agency for use in making payment for commodities not produced in the United States; (2) to barter or exchange such commodities for strategic or other materials as authorized by law; (3) in the case of food commodities to donate such commodities to the Bureau of Indian Affairs and to such State, Federal, or private agency or agencies as may be designated by the proper State or Federal authority and approved by the Secretary, for use in the United States in nonprofit school-lunch programs,[3] in nonprofit summer camps for children,[4] in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served. In the case of (3) the Secretary shall obtain such assurance as he deems necessary that the recipients thereof will not diminish their normal expenditures for food by reason of such donation. In order to facilitate the appropriate disposal of such commodities, the Secretary may from time to time estimate and announce the quantity of such commodities which he anticipates will become available for distribution under (3). The Commodity Credit Corporation may pay, with respect to commodities disposed of under this section, reprocessing, packaging, transporting, handling, and other charges accruing up to the time of their delivery to a Federal agency or to the designated State or private agency. In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible.[5] For the purpose of this section the terms "State" and "United States" include the District of Columbia and any Territory or possession of the United States. Dairy products acquired by the Commodity Credit Corporation through price support operations may, insofar as they can be used in the United States in nonprofit school lunch and other nonprofit child feeding programs, in the assistance of needy persons, and in charitable institutions, including hospitals, to the extent that needy persons are served, be donated for any such use prior to any other use or disposition[6] (7 U.S.C. 1431.)

---

[3] For the administration of sec. 32, not to exceed 4 percent of the total amount available for such section in any fiscal year may be used for that purpose under the limitation contained in sec. 392(b) of the Agricultural Act of 1938, as amended.

[4] The clause within the parentheses was substituted for "other than those designated in title II of the Agricultural Act of 1949" by sec. 5 of the Act of Jan. 30, 1954, 68 Stat. 4.

[5] This sentence was added by sec. 411 of the Agricultural Act of 1949, 63 Stat. 1057.

[6] Superseded by the Act of July 6, 1949, 63 Stat. 407, 31 U.S.C. 712a, and the Act of July 25, 1956, 70 Stat. 647, as amended, 31 U.S.C. 701–708.

[7] This sentence was added by sec. 301 of the Agricultural Act of 1948, July 3, 1948, 62 Stat. 1257. See sec. 392(b) of the Agricultural Adjustment Act of 1938, as amended, for limitation on administrative expenses.

[1] The provisions of this section were substituted for the previous provisions by section 302 of the Agricultural Trade Development and Assistance Act of 1954, 68 Stat. 458. See section 9 of the Act of September 6, 1958, 72 Stat. 1792 (on p. 244) providing for distribution of commodities under section 416 to overseas areas under the jurisdiction or administration of the United States.

The Food for Peace Act of 1966, Pub. L. 89–808, 80 Stat. 1538, approved November 11, 1966, deleted all references to foreign donations from section 416. Such deletions are effective January 1, 1967.

[2] The words "whether in private stocks or" were added by the Act of July 24, 1959, 73 Stat. 250.

SECTION 709—FOOD AND AGRICULTURE ACT OF 1965

(PUBLIC LAW 89-321)

PURCHASE OF DAIRY PRODUCTS

SEC. 709. The Secretary of agriculture is hereby authorized to use funds of the Commodity Credit Corporation to purchase sufficient supplies of dairy products at market prices to meet the requirements of any programs for the schools (other than fluid milk in the case of schools), domestic relief distribution, community action, and such other programs as are authorized by law, when there are insufficient stocks of dairy products in the hands of Commodity Credit Corporation available for these purposes. (7 U.S.C. 1446a–1.)

---

[3] See Act of September 13, 1960, 74 Stat. 899 (p. 243) authorizing the use of surplus foods for training home economics students.

[4] The words "in nonprofit summer camps for children," were added by the Act of July 2, 1958, 72 Stat. 286.

[5] This sentence was added by the Agricultural Act of 1956, 70 Stat. 203.

[6] This last sentence was added by Pub. L. 91-233, 84 Stat. 199, approved April 17, 1970.

[NOTE.—Pub. L. 89–321, 79 Stat. 1212, approved November 3, 1965, amended by Pub. L. 89–808, 80 Stat. 1538, approved November 11, 1966. The words "foreign distribution" appearing after the words "Community action" were deleted by Pub. L. 89–808.]

Title II of P.L. 83–690, P.L. 84–465, P.L. 85–478, and P.L. 87–128 directly relate to the use of dairy products. For current legislation refer to section 3 of the Child Nutrition Act of 1966 as amended.

COMMODITIES FOR SUMMER CAMPS

ACT OF JUNE 28, 1937, AS AMENDED[1]

To extend the time for purchase and distribution of surplus agricultural commodities for relief purposes and to continue the Federal Surplus Commodities Corporation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in carrying out the provisions of clause (2) of section 32 of the Act approved August 24, 1935 (49 State. 77), as amended, the Secretary of Agriculture may transfer to the Federal Surplus Commodities Corporation[2] which Corporation is continued, until June 30, 1945, as an agency of the United States under the direction of the Secretary of Agriculture, such funds, appropriated by said section, as may be necessary for the purpose of effectuating clause (2) of said section: *Provided*, That such transferred funds, together with other funds of the Corporation, may be used for purchasing, exchanging, processing, distributing, disposing, transporting, sorting, and handling of agricultural commodities and products thereof and inspection costs, commissions, and other incidental costs and expenses, without regard to the provisions of existing law governing the expedenture of public funds and for administrative expenses, including rent, printing and binding, and the employment of persons and means, in the District of Columbia, and elsewhere, such employment of persons to be in accordance with the provisions applicable to the employment of persons by the Agricultural Adjustment Administration.

In carrying out clause (2) of section 32, the funds appropriated by said section may be used for the purchase, without regard to the provisions of existing law governing the expenditure of public funds, of agricultural commodities and products thereof and such commodities, as well as agricultural commodities and products thereof purchased under the preceding paragraph of this section, may be donated for relief purposes and for use in nonprofit summer camps for children.[3] (15 U.S.C. 713c.)

---

[1] 50 Stat. 323; February 16, 1938, 52 Stat. 31, 38; June 27, 1942, 56 Stat. 461.

[2] The functions of the Federal Surplus Commodities Corporation have been transferred to the Secretary of Agriculture (7 U.S.C. 612a, note) and the Corporation has been dissolved.

[3] The last nine words were added by the Act of July 2, 1958, 72 Stat. 286.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES ACT OF 1965

(P.L. 89–209)

AN ACT To provide for the establishment of the National Foundation on the Arts and the Humanities to promote progress and scholarship in the humanities and the arts in the United States, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Foundation on the Arts and the Humanities Act of 1965."

DECLARATION OF PURPOSE

SEC. 2. The Congress hereby finds and declares—

(1) that the encouragement and support of national progress and scholarship in the humanities and the arts, while primarily a matter for private and local initiative, is also an appropriate matter of concern to the Federal Government;

(2) that a high civilization must not limit its efforts to science and technology alone but must give full value and support to the other great branches of man's scholarly and cultural activity in order to achieve a better understanding of the past, a better analysis of the present, and a better view of the future;

(3) that democracy demands wisdom and vision in its citizens and that it must therefore foster and support a form of education designed to make men masters of their technology and not its unthinking servant;

(4) that it is necessary and appropriate for the Federal Government to complement, assist, and add to programs for the advancement of the humanities and the arts by local, State, regional, and private agencies and their organizations;

(5) that the practice of art and the study of the humanities requires constant dedication and devotion and that, while no government can call a great artist or scholar into existence, it is necessary and appropriate for the Federal Government to help create and sustain not only a climate encouraging freedom of thought, imagination, and inquiry but also the material conditions facilitating the release of this creative talent;

(6) that the world leadership which has come to the United States cannot rest solely upon superior power, wealth, and technology, but must be solidly founded upon worldwide respect and admiration for the Nation's high qualities as a leader in the realm of ideas and of the spirit; and

(7) that, in order to implement these findings, it is desirable to establish a National Foundation on the Arts and the Humanities.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The term "humanities" includes, but is not limited to, the study of the following: language, both modern and classical; linguistics; literature; history; jurisprudence; philosophy; archeology; comparative religion; ethics; the history, criticism, theory, and practice of the arts; those aspects of the social sciences which have humanistic content and employ humanistic methods; and the study and application of the humanities to the human environment with particular attention to the relevance of the humanities to the current conditions of national life.

(b) The term "the arts" includes, but is not limited to, music (instrumental and vocal), dance, drama, folk art, creative writing, architecture and allied fields, painting, sculpture, photography, graphic and craft arts, industrial design, costume and fashion design, motion pictures, television, radio, tape and sound recording, the arts related to the presentation, performance, execution, and exhibition of such major art forms, and the study and application of the arts to human environment.

(c) The term "production" means plays (with or without music), ballet, dance and choral performances, concerts, recitals, operas, exhibitions, readings, motion pictures, television, radio, and tape and sound recordings, and any other activities involving the execution or rendition of the arts and meeting such standards as may be approved by the National Endowment for the Arts established by section 5 of this Act.

(d) The term "project" means existing programs which further the purposes of this Act, and programs newly organized to further such purposes, including programs to foster American artistic creativity, to commission works of art, to create opportunities for individuals to develop artistic talents when carried on as a part of a program otherwise included in this definition, and to develop and enhance public knowledge and understanding of the arts, and includes, where appropriate, rental, or purchase of facilities, purchase or rental of land, and acquisition of equipment. Such term also includes—

(1) the renovation of facilities if (A) the amount of the expenditure of Federal funds for such purpose in the case of any project does not exceed $250,000, or (B) two-thirds of the members of the National Council on the Arts (who are present and voting) approved of the grant or contract involving an expenditure for such purpose; and

(2) the construction of facilities if (A) such construction is for demonstration purposes or under unusual circumstances where there is no other manner in which to accomplish an artistic purpose, and (B) two-thirds of the members of the National Council on the Arts (who are present and voting) approve of the grant or contract involving an expenditure for such purpose.

(e) The term "group" includes any State or other public agency, and any nonprofit society, institution, organization, association, museum, or establishment in the United States, whether or not incorporated.

(f) The term "workshop" means an activity the primary purpose of which is to encourage the artistic development or enjoyment of amateur, student, or other nonprofessional participants, or to promote scholarship and teaching among the participants.

(g) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands.

SEC. 4. (a) There is established a National Foundation on the Arts and the Humanities (hereinafter referred to as the "Foundation"), which shall be composed of a National Endowment for the Arts, a National Endowment for the Humanities; and a Federal Council on the Arts and the Humanities (hereinafter established).

(b) The purpose of the Foundation shall be to develop and promote a broadly conceived national policy of support for the humanities and the arts in the United States pursuant to this Act.

(c) In the administration of this Act no department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over the policy determination, personnel, or curriculum, or the administration or operation of any school or other non-Federal agency, institution, organization, or association.

ESTABLISHMENT OF THE NATIONAL ENDOWMENT FOR THE ARTS

SEC. 5. (a) There is established within the Foundation a National Endowment for the Arts.

(b)(1) The Endowment shall be headed by a chairman, to be known as the Chairman of the National Endowment for the Arts, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The term of office of the Chairman shall be four years and the Chairman shall be eligible for reappointment. The provisions of this subsection shall apply to any person appointed to fill a vacancy in the office of Chairman. Upon expiration of his term of office the Chairman shall serve until his successor shall have been appointed and shall have qualified.

(c) The Chairman, with the advice of the National Council on the Arts, is authorized to establish and carry out a program of contracts with, or grants-in-aid to, groups, or, in appropriate cases, individuals of exceptional talent engaged in or concerned with the arts, for the purpose of enabling them to provide or support in the United States—

(1) projects and productions which have substantial artistic and cultural significance, giving emphasis to American creativity and the maintenance and encouragement of professional excellence;

(2) projects and productions, meeting professional standards of authenticity, irrespective of origin, which are of significant merit and which, without such assistance, would otherwise be unavailable to our citizens for geographic or economic reasons;

(3) projects and productions that will encourage and assist artists and enable them to achieve wider distribution of their works, to work in residence at an educational or cultural institution, or to achieve standards of professional excellence;

(4) workshops that will encourage and develop the appreciation and enjoyment of the arts by our citizens;

(5) other relevant projects, including surveys, research, planning, and publications relating to the purposes of this subsection.

In the case of publications under clause (5) of this subsection such publications may be supported without regard for the provisions of section 501 of title 44, United States Code, only if the Chairman consults with the Joint Committee on Printing of the Congress and the Chairman submits to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives a report justifying any exemption from such section 501.

(d) No payment may be made to any group under this section except upon application therefor which is submitted to the National Endowment for the Arts in accordance with regulations and procedures established by the Chairman.

(e) The total amount of any grant to any group pursuant to subsection (c) of this section shall not exceed 50 per centum of the total cost of such project or production, except that not more than 20 per centum of the funds allotted by the National Endowment for the Arts for the purposes of subsection (c) for any fiscal year may be available for grants and contracts in that fiscal year without regard to such limitation.

(f) Any group shall be eligible for financial assistance pursuant to this section only if (1) no part of its net earnings inures to the benefit of any private stockholder or stockholders, or individual or individuals, and (2) donations to such group are allowable as a charitable contribution under the standards of subsection (c) of section 170 of the Internal Revenue Code of 1954.

(g) (1) The Chairman, with the advice of the National Council on the Arts, is authorized to establish and carry out a program of grants-in-aid to assist the several States in supporting existing projects and productions which meet the standards enumerated in section 5(c) of this Act, and in developing projects and productions in the arts in such a manner as will furnish adequate programs, facilities, and services in the arts to all the people and communities in each of the several States.

(2) In order to receive assistance under this subsection in any fiscal year, a State shall submit an application for such grants at such time as shall be specified by the Chairman and accompany such applications with a plan which the Chairman finds—

(A) designates or provides for the establishment of a State agency (hereinafter in this section referred to as the "State agency") as the sole agency for the administration of the State plan, except that in the case of the District of Columbia, the Recreation Board, or any successor designated for the purpose of this Act by the Commissioner of the District of Columbia, shall be the "State agency";

(B) provides that funds paid to the State under this subsection will be expended solely on projects and productions approved by the State agency which carry out one or more of the objectives of subsection (c); and

(C) provides that the State agency will make such reports, in such form and containing such information, as the Chairman may from time to time require.

(3) Of the sums available to carry out this subsection for any fiscal year, each State which has a plan approved by the Chairman shall be allotted at least $200,000. If the sums appropriated are insufficient to make the allotments under the preceding sentence in full, such sums shall be allotted among such States in equal amounts. In any case where the sums available to carry out this subsection for any fiscal year

are in excess of the amount required to make the allotments under the first sentence of this paragraph—

(A) the amount of such excess which is no greater than 25 per centum of the sums available to carry out this subsection for any fiscal year shall be available only to the Chairman for making grants under this subsection to States and regional groups, and

(B) the amount of such excess, if any, which remains after reserving in full for the Chairman the amount required under clause (A) shall be allotted among the States which have plans approved by the Chairman in equal amounts but in no event shall any State be allotted less than $200,000.

(4)(A) The amount of any allotment made under paragraph (3) for any fiscal year which exceeds $125,000 shall be available, at the discretion of the Chairman, to pay up to 100 per centum of such cost of projects and productions if such project [sic] and productions would otherwise be unavailable to the residents of that State: *Provided*, That the total amount of any such allotment for any fiscal year which is exempted from such 50 per centum limitation shall not exceed 20 per centum of the total of such allotment for such fiscal year.

(B) Any amount allotted to a State under the first sentence of paragraph (3) for any fiscal year which is not obligated by the State prior to 60 days prior to the end of the fiscal year for which such sums are appropriated shall be available for making grants to regional groups.

(C) Funds made available under this subsection shall not be used to supplant non-Federal funds.

(D) For the purpose of paragraph (3) and paragraph (4) of this section the term "regional group" means any multistate group, whether or not representative of contiguous States.

(5) All amounts allotted or made available under paragraph (3) for a fiscal year which are not granted to a State during such year shall be available at the end of such year to the National Endowment for the Arts for the purpose of carrying out section 5(c).

(h) Whenever the Chairman, after reasonable notice and opportunity for hearing, finds that—

(1) a group is not complying substantially with the provisions of this section;

(2) a State agency is not complying substantially with terms and conditions of its State plan approved under this section; or

(3) any funds granted to a group or State agency under this section have been diverted from the purposes for which they are allotted or paid,

the Chairman shall immediately notify the Secretary of the Treasury and the group or State agency with respect to which such finding was made that no further grants will be made under this section to such group or agency until there is no longer and default or failure to comply or the diversion has been corrected, or, if compliance or correction is impossible, until such group or agency repays or arranges the repayment of the Federal funds which have been improperly diverted or expended.

(i) It shall be a condition of the receipt of any grant under this section that the group or individual of exceptional talent or the State or State agency receiving such grant furnish adequate assurances to the Secretary of Labor that (1) all professional performers and related or supporting professional personnel (other than laborers and mechanics with respect to whom labor standards are prescribed in subsection (j) of this section) employed on projects or productions which are financed in whole or in part under this section will be paid, without subsequent deduction or rebate on any account, not less than the minimum compensation as determined by the Secretary of Labor to be the prevailing minimum compensation for persons employed in similar activities; and (2) no part of any project or production which is financed in whole or in part under this section will be performed or engaged in under working conditions which are unsanitary or hazardous or dangerous to the health and safety of the employees engaged in such project or production. Compliance with the safety and sanitary laws of the State in which the performance or part thereof is to take place shall be prima facie evidence of compliance. The Secretary of Labor shall have the authority to prescribe standards, regulations, and procedures as he may deem necessary or appropriate to carry out the provisions of this subsection.

(j) It shall be a condition of the receipt of any grant under this section that the group or individual of exceptional talent or the State or State agency receiving such grant furnish adequate assurances to the Secretary of Labor that all laborers and mechanics employed by contractors or subcontractors on construction projects assisted under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5). The Secretary of Labor shall have with respect to the labor standards specified in this subsection the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(k) The Chairman shall correlate the programs of the National Endowment for the Arts insofar as practicable, with existing Federal programs and with those undertaken by other public agencies or private groups, and shall develop the programs of the Endowment with due regard to the contribution to the objectives of this Act which can be made by other Federal agencies under existing programs.

NATIONAL COUNCIL ON THE ARTS

SEC. 6. (a) There shall be, within the National Endowment for the Arts, a National Council on the Arts (hereinafter in this section referred to as the "Council").

(b) The Council shall be composed of the Chairman of the National Endowment for the Arts, who shall be Chairman of the Council, and twenty-six other members appointed by the President who shall be selected—

(1) from among private citizens of the United States who are widely recognized for their broad knowledge of, or expertise in, or for their profound interest in, the arts;

(2) so as to include practicing artists, civic cultural leaders, members of the museum profession, and others who are professionally engaged in the arts; and

(3) so as collectively to provide an appropriate distribution of membership among the major art fields.

The President is requested, in the making of such appointments, to give consideration to such recommendations as may, from time to time, be submitted to him by leading national organizations in these fields.

(c) Each member shall hold office for a term of six years, and the terms of office shall be staggered. No member shall be eligible for reappointment during the two-year period following the expiration of his term. Any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

(d) The Council shall meet at the call of the Chairman but not less often than twice during each calendar year. Fourteen members of the Council shall constitute a quorum.

(e) Members shall receive compensation at a rate to be fixed by the Chairman but not to exceed the per diem equivalent of the rate authorized for grade GS-18 by section 5332 of title 5 of the United States Code and be allowed travel expenses including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

(f) The Council shall (1) advise the Chairman with respect to policies, programs, and procedures for carrying out his functions, duties, or responsibilities under this Act, and (2) review applications for financial assistance under this Act and make recommendations thereon to the Chairman. The Chairman shall not approve or disapprove any such application until he has received the recommendation of the Council on such application, unless the Council fails to make a recommendation thereon within a reasonable time. In the case of an application involving $17,500 or less, the Chairman may approve or disapprove such request if such action is taken pursuant to the terms of a delegation of authority from the Council to the Chairman, and provided that each such action by the Chairman shall be reviewed by the Council; *Provided*, That the terms of any such delegation of authority shall not permit obligations for expenditure of funds under such delegation for any fiscal year which exceed an amount equal to 10 per centum of the sums appropriated for that fiscal year pursuant to sub-paragraph (A) of paragraph (1) of section 11(a).

ESTABLISHMENT OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES

SEC. 7. (a) There is established within the Foundation a National Endowment for the Humanities.

(b)(1) The Endowment shall be headed by a chairman, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The term of office of the Chairman shall be four years, and the Chairman shall be eligible for reappointment. The provisions of this paragraph shall apply to any person appointed to fill a vacancy in the office of the Chairman. Upon expiration of his term of office

the Chairman shall serve until his successor shall have been appointed and shall have qualified.

(c) The Chairman, with the advice of the National Council on the Humanities (hereinafter established), is authorized to—

(1) develop and encourage the pursuit of a national policy for the promotion of progress and scholarship in the humanities;

(2) initiate and support research and programs to strengthen the research and teaching potential of the United States in the humanities by making arrangements (including contracts, grants, loans, and other forms of assistance) with individuals or groups to support such activities; any loans made by the Endowment shall be made in accordance with terms and conditions approved by the Secretary of the Treasury;

(3) award fellowships and grants to institutions or individuals for training and workshops in the humanities. Fellowships awarded to individuals under this authority may be for the purpose of study or research at appropriate non-profit institutions selected by the recipient of such aid, for stated periods of time;

(4) foster the interchange of information in the humanities;

(5) foster, through grants or other arrangements with groups, education in, and public understanding and appreciation of the humanities;

(6) support the publication of scholarly works in the humanities; and

(7) insure that the benefit of its programs will also be available to our citizens where such programs would otherwise be unavailable due to geographic or economic reasons.

In the case of publications under clause (6) of this subsection such publications may be supported without regard for the provisions of section 501 of title 44, United States Code, only if the Chairman consults with the Joint Committee on Printing of the Congress and the Chairman submits to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives a report justifying any exemption from such section 501.

(d) The Chairman shall correlate the programs of the National Endowment for the Humanities, insofar as practicable, with existing Federal programs, designated State humanities agencies and with those undertaken by other public agencies or private groups, and shall develop the programs of the Endowment with due regard to the contribution to the objectives of this Act which can be made by other Federal agencies under existing programs.

(e) The total amount of any grant under subsection (c)(3) to any group engaging in workshop activities for which an admission or other charge is made to the general public shall not exceed 30 per centum of the total cost of such activities.

ESTABLISHMENT OF THE NATIONAL COUNCIL ON THE HUMANITIES

SEC. 8. (a) There is established in the National Endowment for the Humanities a National Council on the Humanities.

(b) The Council shall be composed of the Chairman of the National Endowment on the Humanities, who shall be the Chairman of the

Council, and twenty-six other members appointed by the President from private life. Such members shall be selected on the basis of distinguished service and scholarship or creativity and in a manner which will provide a comprehensive representation of the views of scholars and professional practitioners in the humanities and of the public throughout the United States. The President is requested in the making of such appointments to give consideration to such recommendations as may from time to time be submitted to him by leading national organizations concerned with the humanities.

(c) Each member shall hold office for a term of six years, except that (1) the members first taking office shall serve, as designated by the President, nine for terms of two years, nine for terms of four years, and eight for terms of six years, and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed. No member shall be eligible for reappointment during the two-year period following the expiration of his term.

(d) The Council shall meet at the call of the Chairman but not less often than twice during each calendar year. Fourteen members shall constitute a quorum.

(e) Members shall receive compensation at a rate to be fixed by the Chairman but not to exceed the per diem equivalent of the rate authorized for grade GS–18 by section 5332 of title 5 of the United States Code and be allowed travel expenses including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

(f) The Council shall (1) advise the Chairman with respect to policies, programs, and procedures for carrying out his functions, and (2) shall review applications for financial support and make recommendations thereon to the Chairman. The Chairman shall not approve or disprove any such application until he has received the recommendation of the Council on such application, unless the Council fails to make a recommendation thereon within a reasonable time. In the case of any application involving $17,500, or less, the Chairman may approve or disapprove such request if such action is taken pursuant to the terms of a delegation of authority from the Council to the Chairman, and provided that each such action by the Chairman shall be reviewed by the Council: *Provided*, That the terms of any such delegation of authority shall not permit obligations for expenditure of funds under such delegation for any fiscal year which exceed an amount equal to 10 per centum of the sums appropriated for that fiscal year pursuant to subparagraph (B) of paragraph (1) of section 11(a).

ESTABLISHMENT OF THE FEDERAL COUNCIL ON THE ARTS AND THE HUMANITIES

SEC. 9. (a) There is established within the Foundation a Federal Council on the Arts and the Humanities.

(b) The Council shall be composed of the Chairman of the National Endowment for the Arts, the Chairman of the National Endowment for the Humanities, the United States Commission of Education, the Secretary of the Smithsonian Institution, the Director of the National Science Foundation, the Librarian of Congress, the Director of the

National Gallery of Art, the Chairman of the Commission of Fine Arts, the Archivist of the United States, the Commissioner, Public Buildings Service, General Services Administration, a member designated by the Secretary of State, and a member designated by the Secretary of the Interior, a member designated by the Chairman of the Senate Commission on Art and Antiquities, and a member designated by the Speaker of the House. The President shall designate the Chairman of the Council from among the members. The President is authorized to change the membership of the Council from time to time as he deems necessary to meet changes in Federal programs or executive branch organization.

(c) The Council shall—

(1) advise and consult with the Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities on major problems arising in carrying out the purposes of the Foundation;

(2) coordinate, by advice and consultation, so far as is practicable, the policies and operations of the National Endowment for the Arts and the National Endowment for the Humanities, including joint support of activities, as appropriate;

(3) promote coordination between the programs and activities of the Foundation and related programs and activities of other Federal agencies; and

(4) plan and coordinate appropriate participation (including productions and projects) in major and historic national events.

ADMINISTRATIVE PROVISIONS

SEC. 10. (a) In addition to any authorities vested in them by other provisions of this Act, the Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities, in carrying out their respective functions, shall each have authority—

(1) to prescribe such regulations as he deems necessary governing the manner in which his functions shall be carried out;

(2) in the discretion of the Chairman of an Endowment, after receiving the recommendation of the National Council of that Endowment, to receive money and other property donated, bequeathed, or devised to that Endowment with or without a condition or restriction, including a condition that the Chairman use other funds of that Endowment for the purposes of the gift, except that a Chairman may receive a gift without a recommendation from the Council to provide support for any application or project which can be approved without Council recommendation under the provisions of sections 6(f) and 8(f), and may receive a gift of $15,000, or less, without Council recommendation in the event the Council fails to provide such recommendation within a reasonable period of time, and to use, sell, or otherwise dispose of such property for the purpose of carrying out sections 5(c) and 7(c);

(3) to appoint employees, subject to the civil service laws, as necessary to carry out his functions, define their duties, and supervise and direct their activities;

(4) to utilize from time to time, as appropriate, experts and consultants, including panels of experts, who may be employed as authorized by section 15 of the Administrative Expenses Act of 1946, as amended (5 U.S.C. 55a) : *Provided, however,* That any advisory panel appointed to review or make recommendations with respect to the approval of applications or projects for funding shall have broad geographic representation;

(5) to accept and utilize the services of voluntary and uncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by law (5 U.S.C. 73b–2) for persons in the Government service employed without compensation;

(6) to make advance, progress, and other payments without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. 529);

(7) to rent office space in the District of Columbia; and

(8) to make other necessary expenditures. In any case in which any money or other property is donated, bequeathed, or devised to the Foundation (A) without designation of the Endowment for the benefit of which such property is intended, and (B) without condition or restriction other than it be used for the purposes of the Foundation, such property shall be deemed to have been donated, bequeathed, or devised in equal shares to each Endowment and each Chairman of an Endowment shall have authority to receive such property. In any case in which any money or other property is donated, bequeathed, or devised to the Foundation with a condition or restriction, such property shall be deemed to have been donated, bequeathed, or devised to that Endowment whose function it is to carry out the purpose or purposes described or referred to by the terms of such condition or restriction, and each Chairman of an Endowment shall have authority to receive such property. For the purposes of the preceding sentence, if one or more of the purposes of such a condition or restriction is covered by the functions of both Endowments, or if some of the purposes of such a condition or restriction are covered by the functions of one Endowment and other of the purposes of such a condition or restriction are covered by the functions of the other Endowment, the Federal Council on the Arts and the Humanities shall determine an equitable manner for distribution between each of the Endowments of the property so donated, bequeathed, or devised. For the purpose of the income tax, gift tax, and estate tax laws of the United States, any money or other property donated, bequeathed, or devised to the Foundation or one of its Endowments and received by the Chairman of an Endowment pursuant to authority derived under this subsection shall be deemed to have been donated, bequeathed, or devised to or for the use of the United States.

(b) The Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities shall each submit an annual report to the President for transmittal to the Congress on or before the 15th day of January of each year. The report shall summarize the activities of the Endowment for the preceding year, and may include such recommendations as the Chairman deems appropriate.

(c) The National Council on the Arts and the National Council on the Humanities, respectively, may each submit an annual report to the President for transmittal to the Congress on or before the 15th day of January of each year setting forth a summary of its activities during the preceding year or its recommendations for any measures which it considers necessary or desirable.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. (a)(1)(A) For the purpose of carrying out section 5(c), there are authorized to be appropriated to the National Endowment for the Arts, $54,000,000 for the fiscal year ending June 30, 1974, $90,000,000 for the fiscal year ending June 30, 1975, and $113,500,000 for the fiscal year ending June 30, 1976. For the purpose of carrying out section 5(g), there are authorized to be appropriated to the National Endowment for the Arts $11,000,000 for the fiscal year ending June 30, 1974. Not less than 20 per centum of the funds appropriated under the first sentence of this paragraph for the fiscal years ending June 30, 1975, and June 30, 1976, may be used only for the purpose of carrying out section 5(g).

(B) For the purposes of carrying out section 7(c), there are authorized to be appropriated to the National Endowment for the Humanities $65,000,000 for the fiscal year ending June 30, 1974, $90,000,000 for the fiscal year ending June 30, 1975, and $113,500,000 for the fiscal year ending June 30, 1976.

(2) There are authorized to be appropriated for each fiscal year ending prior to July 1, 1976, to the National Endowment for the Arts and the National Endowment for the Humanities, an amount equal to the total amounts received by each Endowment under section 10(a)(2), except that the amount so appropriated for any fiscal year shall not exceed the following limitations:

(A) For the fiscal year ending June 30, 1974, $15,000,000.
(B) For the fiscal year ending June 30, 1975, $20,000,000.
(C) For the fiscal year ending June 30, 1976, $25,000,000.

(b)(1) Sums appropriated pursuant to subsection (a) for any fiscal year shall remain available for obligation ad expenditure until expended.

(2) In order to afford adequate notice to interested persons of available assistance under this Act, appropriations authorized under subsection (a) are authorized to be included in the measure making appropriations for the fiscal year preceding the fiscal year for which such appropriations become available for obligation.

(c) There are authorized to be appropriated such sums as may be necessary to administer the provisions of this Act.

(d) No grant shall be made to a workshop (other than a workshop conducted by a school, college, or university) for a production for which direct or indirect admission charge is asked if the proceeds, after deducting reasonable costs, are used for purposes other than assisting the grantee to develop high standards of artistic excellence or encourage greater appreciation of the arts and humanities by our citizens.

NATIONAL SCIENCE FOUNDATION ACT OF 1950

(PUBLIC LAW 507–81ST CONGRESS)[1]

AN ACT To promote the progress of science, to advance the national health, prosperity, and welfare; to secure the national defense; and other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Science Foundation Act of 1950."

ESTABLISHMENT OF NATIONAL SCIENCE FOUNDATION

SEC. 2. There is hereby established in the executive branch of the Government an independent agency to be known as the National Science Foundation (hereinafter referred to as the "Foundation"). The Foundation shall consist of a National Science Board (hereinafter referred to as the "Board") and a Director.

FUNCTIONS OF THE FOUNDATION

SEC. 3. (a) The Foundation is authorized and directed—

(1) to initiate and support basic scientific research and programs to strengthen scientific research potential and science education programs at all levels in the mathematical, physical, medical, biological, engineering, social, and other sciences, by making contracts or other arrangements (including grants, loans, and other forms of assistance) to support such scientific and educational activities and to appraise the impact of research upon industrial development and upon the general welfare;

(2) to award, as provided in section 10, scholarships and graduate fellowships in the mathematical, physical, medical, biological, engineering, social, and other sciences;

(3) to foster the interchange of scientific information among scientists in the United States and foreign countries;

(4) to foster and support the development and use of computer and other scientific methods and technologies, primarily for research and education in the sciences;

(5) to evaluate the status and needs of the various sciences as evidenced by programs, projects, and studies undertaken by agencies of the Federal Government, by individuals, and by public and private research groups, employing by grant or contract such consulting services as it may deem necessary for the purpose of such evaluations; and to take into consideration the results of such evaluations in correlating the research and educational programs undertaken or supported by the Foundation with programs, projects, and studies undertaken by agencies of the Federal Government, by individuals, and by public and private research groups;

---

[1] As amended by: Act of April 5, 1952 (P.L. 82–298; 66 Stat. 43), Act of Aug. 8, 1953 (P.L. 83–223; 67 Stat. 488), Act of July 11, 1958 (P.L. 85–510; 72 Stat. 353), Act of Sept. 8, 1959 (P.L. 86–232; 73 Stat. 467), Act of June 11, 1960 (P.L. 86–507; 74 Stat. 200). Act of June 29, 1960 (P.L. 86–550; 74 Stat. 256). Act of Oct. 16, 1962 (P.L. 87–835; 76 Stat. 1069), Act of July 18, 1968 (P.L. 90–407; 82 Stat. 360). Act of November 18, 1969 (P.L. 91–120; 83 Stat. 203); Act of August 10, 1972 (P.L. 92–372, 86 Stat. 526), and Act of October 13, 1972 (P.L. 92–484, 86 Stat. 797).

(6) to maintain a current register of scientific and technical personnel, and in other ways to provide a central clearinghouse for the collection, interpretation, and analysis of data on the availability of, and the current and projected need for, scientific and technical resources in the United States, and to provide a source of information for policy formulation by other agencies of the Federal Government; and

(7) to initiate and maintain a program for the determination of the total amount of money for scientific research, including money allocated for the construction of the facilities wherein such research is conducted, received by each educational institution and appropriate nonprofit organization in the United States, by grant, contract, or other arrangement from agencies of the Federal Government, and to report annually thereon to the President and the Congress.

(b) The Foundation is authorized to initiate and support specific scientific activities in connection with matters relating to international cooperation, national security, and the effects of scientific applications upon society by making contracts or other arrangements (including grants, loans, and other forms of assistance) for the conduct of such activities. When initiated or supported pursuant to requests made by any other Federal department or agency, including the Office of Technology Assessment, such activities shall be financed whenever feasible from funds transferred to the Foundation by the requesting official as provided in section 14(g), and any such activities shall be unclassified and shall be identified by the Foundation as being undertaken at the request of the appropriate official.

(c) In addition to the authority contained in subsections (a) and (b), the Foundation is authorized to initiate and support scientific research, including applied research, at academic and other nonprofit institutions. When so directed by the President, the Foundation is further authorized to support, through other appropriate organizations, applied scientific research relevant to national problems involving the public interest. In exercising the authority contained in this subsection, the Foundation may employ be grant or contract such consulting services as it deems necessary, and shall coordinate and correlate its activities with respect to any such problem with other agencies of the Federal Government undertaking similar programs in that field.

(d) The Board and the Director shall recommend and encourage the pursuit of national policies for the promotion of basic research and education in the sciences.

(e) In exercising the authority and discharging the functions referred to in the foregoing subsections, it shall be one of the objectives of the Foundation to strengthen research and education in the sciences, including independent research by individuals, throughout the United States, and to avoid undue concentration of such research and education.

(f) The Foundation shall render an annual report to the President for submission on or before the 15th day of January of each year to the Congress, summarizing the activities of the Foundation and making such recommendations as it may deem appropriate. Such report shall include information as to the acquisition and disposition by the Foundation of any patents and patent rights.

NATIONAL SCIENCE BOARD

SEC. 4. (a) The Board shall consist of twenty-four members to be appointed by the President, by and with the advice and consent of the Senate, and of the Director ex officio. In addition to any powers and functions otherwise granted to it by this Act, the Board shall establish the policies of the Foundation.

(b) The Board shall have an Executive Committee as provided in section 7, and may delegate to it or to the Director or both such of the powers and functions granted to the Board by this Act as it deems appropriate.

(c) The persons nominated for approinment as members of the Board (1) shall be eminent in the fields of the basic, medical, or social sciences, engineering, agriculture, education, research management or public affairs; (2) shall be selected solely on the basis of established records of distinguished service and (3) shall be so selected as to provide representation of the views of scientific leaders in all areas of the Nation. The President is requested, in the making of nominations of persons for appointment as members, to give due consideration to any recommendations for nomination which may be submitted to him by the National Academy of Sciences, the National Association of State Universities and Land Grant Colleges, the Association of American Universities, the Association of American Colleges, the Association of State Colleges and Universities, or by other scientific or educational organizations.

(d) The term of office of each member of the Board shall be six years; except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. Any person, other than the Director, who has been a member of the Board for twelve consecutive years shall thereafter be ineligible for appointment during the two-year period following the expiration of such twelfth year.

(e) The Board shall meet annually on the third Monday in May unless, prior to May 10 in any year, the Chairman has set the annual meeting for a day in May other than the third Monday and at such other times as the Chairman may determine, but he shall also call a meeting whenever one-third of the members so request in writing. A majority of the members of the Board shall constitute a quorum. Each member shall be given notice, by registered mail or certified mail mailed to his last known address of record not less than fifteen days prior to any meeting, of the call of such meeting.

(f) The election of the Chairman and Vice Chairman of the Board shall take place at each annual meeting occurring in an even-numbered year. The Vice Chairman shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the chairmanship or vi[illegible]manship, the Board shall elect a member to fill such vacancy.

(g) The Board shall render an annual report to the President, for submission on or before the 31st day of January of each year to the Congress, on the status and health of science and its various disciplines. Such report shall include an assessment of such matters as national scientific resources and trained manpower, progress in selected areas of basic scientific research, and an indication of those aspects of such progress which might be applied to the needs of American society. The report may include such recommendations as the Board may deem timely and appropriate.

(h) The Board may, with the concurrence of a majority of its members, permit the appointment of a staff consisting of not more than five professional staff members and such clerical staff members as may be necessary. Such staff shall be appointed by the Director and assigned at the direction of the Board. The professional members of such staff may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 of such title relating to classification, and compensated at a rate not exceeding the appropriate rate provided for individuals in grade GS–15 of the General Schedule under section 5332 of such title, as may be necessary to provide for the performance of such duties as may be prescribed by the Board in connection with the exercise of its powers and functions under this Act. Each appointment under this subsection shall be subject to the same security requirements as those required for personnel of the Foundation appointed under section 14(a).

(i) The Board is authorized to establish such special commissions as it may from time to time deem necessary for the purposes of this Act.

(j) The Board is also authorized to appoint from among its members such committees as it deems necessary, and to assign to committees so appointed such survey and advisory functions as the Board deems appropriate to assist it in exercising its powers and functions under this Act.

DIRECTOR OF THE FOUNDATION

SEC. 5. (a) The Director of the Foundation (referred to in this Act as the "Director") shall be appointed by the President by and with the advice and consent of the Senate. Before any person is appointed as Director, the President shall afford the Board an opportunity to make recommendations to him with respect to such appointment. The Director shall receive basic pay at the rate provided for level II of the Executive Schedule under section 5313 of title 5, United States Code, and shall serve for a term of six years unless sooner removed by the President.

(b) Except as otherwise specifically provided in this Act (1) the Director shall exercise all of the authority granted to the Foundation by this Act (including any powers and functions which may be delegated to him by the Board), and (2) all actions taken by the Director pursuant to the provisions of this Act (or pursuant to the terms of a delegation from the Board) shall be final and binding upon the Foundation.

(c) The Director may from time to time make such provisions as he deems appropriate authorizing the performance by any other officer, agency, or employee of the Foundation of any of his functions under this Act, including functions delegated to him by the Board; except that the Director may not redelgate policy-making functions delegated to him by the Board.

(d) The formulation of programs in conformance with the policies of the Foundation shall be carried out by the Director in consultation with the Board.

(e) The Director shall not make any contract, grant, or other arrangement pursuant to section 11(c) without the prior approval of the Board, except that a grant, contract, or other arrangement involving a total commitment of less than $2,000,000 or less than $500,000 in any one year, or a commitment of such lesser amount or amounts and subject to such other conditions as the Board in its discretion may from time to time determine to be appropriate and publish in the Federal Register, may be made if such action is taken pursuant to the terms and conditions set forth by the Board, and if each such action is reported to the Board at the Board meeting next following such action.

(f) The Director, in his capacity as ex officio member of the Board, shall, except with respect to compensation and tenure, be coordinate with the other members of the Board. He shall be a voting member of the Board and shall be eligible for election by the Board as Chairman or Vice Chairman of the Board.

DEPUTY DIRECTOR AND ASSISTANT DIRECTORS

Sec. 6. (a) There shall be a Deputy Director of the Foundation (referred to in this Act as the "Deputy Director") who shall be appointed by the President, by and with the advice and consent of the Senate. Before any person is appointed as Deputy Director, the President shall afford the Board and the Director an opportunity to make recommendations to him with respect to such appointment. The Deputy Director shall receive basic pay at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code, and shall perform such duties and exercise such powers as the Director may prescribe. The Deputy Director shall act for, and exercise the powers of, the Director during the absence or disability of the Director or in the event of a vacancy in the office of Director.

(b) There shall be four Assistant Directors of the Foundation (each referred to in this Act as an "Assistant Director") who shall be appointed by the President, by and with the advice and consent of the Senate. Before any person is appointed as an Assistant Director, the President shall afford the Board and the Director an opportunity to make recommendations to him with respect to such appointment. Each Assistant Director shall receive basic pay at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code, and shall perform such duties and exercise such powers as the Director may prescribe.

EXECUTIVE COMMITTEE

Sec. 7. (a) There shall be an Executive Committee of the Board (referred to in this Act as the "Executive Committee"), which shall be composed of five members and shall exercise such powers and functions as may be delegated to it by the Board. Four of the members shall be elected as provided in subsection (b), and the Director ex officio shall be the fifth member and the chairman of the Executive Committee.

(b) At each of its annual meetings the Board shall elect two of its members as members of the Executive Committee, and the Executive Committee members so elected shall hold office for two years from the date of their election. Any person, other than the Director, who has been a member of the Executive Committee for six consecutive years shall thereafter be ineligible for service as a member thereof during the two-year period following the expiration of such sixth year. For the purposes of this subsection, the period between any two consecutive annual meetings of the Board shall be deemed to be one year.

(c) Any person elected as a member of the Executive Committee to fill a vacancy occurring prior to the expiration of the term for which his predecessor was elected shall be elected for the remainder of such term.

(d) The Executive Committee shall render an annual report to the Board, and such other reports as it may deem necessary, summarizing its activities and making such recommendations as it may deem appropriate. Minority views and recommendations, if any, of members of the Executive Committee shall be included in such reports.

DIVISIONS WITHIN THE FOUNDATION

SEC. 8. There shall be within the Foundation such Divisions as the Director, in consultation with the Board, may from time to time determine.

SPECIAL COMMISSIONS

SEC. 9. (a) Each special commission established pursuant to section 4(i) shall consist of eleven members appointed by the Board, six of whom shall be eminent scientists and five of whom shall be persons other than scientists. Each special commission shall choose its own chairman and vice chairman.

(b) It shall be the duty of each special commission to make a comprehensive survey of research, both public and private, being carried on in its field, and to formulate and recommend to the Foundation at the earliest practicable date an over-all research program in its field.

SCHOLARSHIPS AND GRADUATE FELLOWSHIPS

SEC. 10. The Foundation is authorized to award, within the limits of funds made available specifically for such purpose pursuant to section 16, scholarships and graduate fellowships for scientific study or scientific work in the mathematical, physical, medical, biological, engineering, social, and other sciences at appropriate nonprofit American or nonprofit foreign institutions selected by the recipient of such aid, for stated periods of time. Persons shall be selected for such scholarships and fellowships from among citizens or nationals of the United States, and such selections shall be made solely on the basis of ability; but in any case in which two or more applicants for scholarships or fellowships, as the case may be, are deemed by the Foundation to be possessed of substantially equal ability, and there are not sufficient scholarships or fellowships, as the case may be, available to grant one to each of such applicants, the available scholarship or scholarship, fellowship or fellowships shall be awarded to the applicants in such manner as will tend to result in a wide distribution of scholarships and fellowships throughout the United States. Nothing contained in this Act shall prohibit the Foundation from refusing or revoking a scholarship or fellowship award, in whole or in part, in the case of any applicant or recipient, if the Board is of the opinion that such award is not in the best interests of the United States.

GENERAL AUTHORITY OF FOUNDATION

Sec. 11. The Foundation shall have the authority, within the limits of available appropriations, to do all things necessary to carry out the provisions of this Act, including, but without being limited thereto, the authority—

(a) to prescribe such rules and regulations as it deems necessary governing the manner of its operations and its organization and personnel;

(b) to make such expenditures as may be necessary for administering the provisions of this Act;

(c) to enter into contracts or other arrangements, or modifications thereof, for the carrying on, by organizations or individuals in the United States and foreign countries, including other government agencies of the United States and of foreign countries, of such scientific activities as the Foundation deems necessary to carry out the purposes of this Act, and, at the request of the Secretary of State or Secretary of Defense, specific scientific activities in connection with matters relating to international cooperation or national security, and, when deemed appropriate by the Foundation, such contracts or other arrangements or modifications thereof, may be entered into without legal consideration without performance or other bonds and without regard to section 3709 of the Revised Statutes (41 U.S.C. § 5);

(d) to make advance, progress, and other payments which relate to scientific activities without regard to the provisions of section 3648 of the Revised Statutes (31 U.S.C. § 529);

(e) to acquire by purchase, lease, loan, gift, or condemnation, and to hold and dispose of by grant, sale, lease, or loan, real and personal property of all kinds necessary for, or resulting from, the exercise of authority granted by this Act;

(f) to receive and use funds donated by others, if such funds are donated without restriction other than that they be used in furtherance of one or more of the general purposes of the Foundation;

(g) to publish or arrange for the publication of scientific and technical information so as to further the full dissemination of information of scientific value consistent with the national interest, without regard to the provisions of section 87 by the Act of January 12, 1895 (28 Stat. 622), and section 11 of the Act of March 1, 1919 (40 Stat. 1270; 44 U.S.C. § 501);

(h) to accept and utilize the services of voluntary and uncompensated personnel and to provide transportation and subsistence as authorized by section 5703 of title 5, United States Code, for persons serving without compensation;

(i) to prescribe, with the approval of the Comptroller-General of the Unitde States, the extent to which vouchers for funds expended under contracts for scientific research shall be subject to itemization or substantiation prior to payment, without regard to the limitations of other laws relating to the expenditure of public funds and accounting therefor; and

(j) to arrange with and reimburse the heads of other Federal agencies for the performance of any activity which the Foundation is authorized to conduct.

PATENT RIGHTS

SEC. 12. (a) Each contract or other arrangement executed pursuant to this Act which relates to scientific research shall contain provisions governing the disposition of inventions produced thereunder in a manner calculated to protect the public interest and the equities of the individual or organization with which the contract or other arrangement is executed: *Provided, however*, That nothing in this Act shall be construed to authorize the Foundation to enter into any contractual or other arrangement inconsistent with any provision of law affecting the issuance or use of patents.

(b) No officer or employee of the Foundation shall acquire, retain, or transfer any rights, under the patent laws of the United States or otherwise, in any invention which he may make or produce in connection with performing his assigned activities and which is directly related to the subject matter thereof: *Provided, however*, That this subsection shall not be construed to prevent any officer or employee of the Foundation from executing any application for patent on any such invention for the purpose of assigning the same to the Government or its nominee in accordance with such rules and regulations as the Director may establish.

INTERNATIONAL COOPERATION AND COORDINATION WITH FOREIGN POLICY

SEC. 13. (a) The Foundation is hereby authorized to cooperate in any international scientific activities consistent with the purposes of this Act and to expend for such international scientific activities such sums within the limit of appropriated funds as the Foundation may deem desirable. The Director may defray the expenses of representatives of Government agencies and other organizations and of individual scientists to accredited international scientific congresses and meetings whenever he deems it necessary in the promotion of the objectives of this Act. In this connection, with the approval of the Secretary of State, the Foundation may undertake programs, granting fellowships to, or making other similar arrangements with, foreign nationals for scientific study or scientific work in the United States without regard to section 10 or the affidavit of allegiance to the United States required by section 15(d)(2) of this Act.

(b)(1) The authority to enter into contracts or other arrangements with organizations or individuals in foreign countries and with agencies of foreign countries, as provided in section 11(c), and the authority to cooperate in international scientific activities as provided in subsection (a) of this section, shall be exercised only with the approval of the Secretary of State, to the end that such authority shall be exercised in such manner as is consistent with the foreign policy objectives of the United States.

(2) If, in the exercise of the authority referred to in paragraph (1) of this subsection, negotiation with foreign countries or agencies thereof becomes necessary, such negotiation shall be carried on by the Secretary of State in consultation with the Director.

MISCELLANEOUS PROVISIONS

SEC. 14. (a) The Director shall, in accordance with such policies as the Board shall from time to time prescribe, appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act. Except as provided in section 4(h), such appointments shall be made and such compensation shall be fixed in accordance with the provisions of title 5, United States Code, governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates: *Provided*, That the Director may, in accordance with such policies as the Board shall from time to time prescribe, employ such technical and professional personnel and fix their compensation, without regard to such provisions, as he may deem necessary for the discharge of the responsibilities of the Foundation under this Act. The members of the special commissions shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(b) Neither the Director, the Deputy Director, nor any Assistant Director shall engage in any other business, vocation, or employment while serving in such position; nor shall the Director, the Deputy Director, or any Assistant Director, except with the approval of the Board, hold any office in, or act in any capacity for, any organization, agency, or institution with which the Foundation makes any grant, contract, or other arrangement under this Act.

(c) The Foundation shall not, itself, operate any laboratories or pilot plants.

(d) The members of the Board and the members of each special commission shall receive compensation at the rate of $100 for each day engaged in the business of the Foundation pursuant to authorization of the Foundation and shall be allowed travel expenses as authorized by section 5703 of title 5, United States Code.

(e) Persons holding other offices in the executive branch of the Federal Government may serve as members of the special commissions, but they shall not receive remuneration for their services as such members during any period for which they receive compensation for their services in such other offices.

(f) In making contracts or other arrangements for scientific research, the Foundation shall utilize appropriations available therefor in such manner as will in its discretion best realize the objectives of (1) having the work performed by organizations, agencies, and institutions, or individuals in the United States or foreign countries, including Government agencies of the United States and of foreign countries, qualified by training and experience to achieve the results desired, (2) strengthening the research staff of organizations, particularly nonprofit organizations, in the United States, (3) aiding institutions, agencies or organizations which, if aided, will advance scientific research, and (4) encouraging independent scientific research by individuals.

(g) Funds available to any department or agency of the Government for scientific or technical research, or the provision of facilities therefor, shall be available for transfer, with the approval of the head of the department or agency involved, in whole or in part, to the Foundation for such use as is consistent with the purposes for which such funds were provided, and funds so transferred shall be expendable by the Foundation for the purposes for which the transfer was made.

(h) For purposes of this Act, the term "United States" when used in a geographical sense means the States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.

(i) Notwithstanding any other provision of law, the authorization of any appropriation to the Foundation shall expire (unless an earlier expiration is specifically provided) at the close of the second fiscal year following the fiscal year for which the authorization was enacted, to the extent that such appropriation has not theretofore actually been made.

SECURITY PROVISIONS

SEC. 15. (a) The Foundation shall not support any research or development activity in the field of nuclear energy, nor shall it exercise any authority pursuant to section 11(e) in respect to that field, without first having obtained the concurrence of the Atomic Energy Commission that such activity will not adversely affect the common defense and security. To the extent that such activity involves restricted data as defined in the Atomic Energy Act of 1954 the provisions of that Act regarding the control of the dissemination of restricted data and the security clearance of those individuals to be given access to restricted data shall be applicable. Nothing in this Act shall supersede or modify any provision of the Atomic Energy Act of 1954.

(b)(1) In the case of scientific or technical research activities under this Act in connection with matters relating to the national defense, with respect to which funds have been transferred to the Foundation from the Department of Defense in accordance with the provisions of section 14(g) of this Act, the Secretary of Defense shall establish such security requirements and safeguards, including restrictions with respect to access to information and property, as he deems necessary.

(2) In the case of scientific research activities under this Act in connection with matters relating to the national defense other than research activities referred to in paragraph (1) of this subsection, the Foundation shall establish such security requirements and safeguards, including restrictions with respect to access to information and property as it deems necessary.

(3) Any agency of the Government exercising investigatory functions is hereby authorized to make such investigations and reports as may be requested by the Foundation in connection with the enforcement of security requirements and safeguards, including restrictions with respect to access to information and property, established under paragrph (1) or (2) of this subsection.

(c) No employee of the Foundation shall be permitted to have access to information or property with respect to which access restrictions have been established under subsection (b)(1) or (2) until the Civil Service Commission shall have made an investigation into the character, associations, and loyalty of such individual and shall have reported the findings of said investigations to the Foundation, and the Foundation shall have determined that permitting such individual to have access to such information or property will not endanger the common defense and security.

(d)(1) No part of any funds appropriated or otherwise made available for expenditure by the Foundation under authority of this Act shall be used to make payments under any scholarship or fellowship awarded to any individual under section 10, unless such individual—

(A) has taken and subscribed to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic"; and

(B) has provided the Foundation (in the case of applications made on or after October 1, 1962) with a full statement regarding any crimes of which he has ever been convicted (other than crimes committed before attaining sixteen years of age and minor traffic violations for which a fine of $25 or less was imposed) and regarding any criminal charges punishable by confinement of thirty days or more which may be pending against him at the time of his application for such scholarship or fellowship.

The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to the oath or affirmation and statement herein required.

(2)(A) When any Communist organization, as defined in paragraph (5) of section 3 of the Subversive Activities Control Act of 1950, is registered or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, it shall be unlawful for any member of such organization with knowledge or notice that such organization is so registered or that such order has become final (i) to make application for any scholarship or fellowship which is to be awarded from funds part or all of which are appropriated or otherwise made available for expenditure under the authority of section 10 of this Act, or (ii) to use or attempt to use any such award.

(B) Whoever violates subparagraph (A) of this paragraph shall be fined not more than $10,000, or imprisoned not more than five years, or both.

APPROPRIATIONS

SEC. 16. (a) To enable the Foundation to carry out its powers and duties, there is hereby authorized to be appropriated to the Foundation for the fiscal year ending June 30, 1969, the sum of $525,000,000; but for the fiscal year ending June 30, 1970, and each subsequent fiscal year, only such sums may be appropriated as the Congress may hereafter authorize by law. Sums authorized by this subsection shall be in addition to sums authorized by section 201(b)(1) of the Marine Resources and Engineering Development Act of 1966 (33 U.S.C. 1122 (b)(1).[1]

(b) Appropriations made pursuant to the authority provided in subsection (a) of this section shall remain available for obligation for expenditure, or for obligation and expenditure, for such period or periods as may be specified in the Act making such appropriations.

---

[1] All functions vested in the National Science Foundation by the National Sea Grant College and Program Act of 1966 (P.L. 89–688), which amended the Marine Resources and Engineering Development Act, were transferred to the National Oceanic and Atmospheric Administration (NOAA) by Reorganization Plan No. 4 of 1970 (35 F.R. 15627). Therefore, sums authorized under section 201(b)(1) of the Marine Resources and Engineering Development Act would be to NOAA, unless otherwise specifically designated.

HARRY S TRUMAN MEMORIAL SCHOLARSHIP ACT

AN ACT To establish the Harry S Truman memorial scholarships, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Harry S Truman Memorial Scholarship Act".

STATEMENT OF FINDINGS

SEC. 2. The Congress finds that—

because of a high regard for the public trust and a lively exercise of political talents were outstanding characteristics of the thirty-third President of the United States;

because a special interest of the man from Independence in American history and a broad knowledge and understanding of the American political and economic system gained by study and experience in county and National Government culminated in the leadership of America remembered for the quality of his character, courage, and commonsense;

because of the desirability of encouraging young people to recognize and provide service in the highest and best traditions of the American political system at all levels of government, it is especially appropriate to honor former President Harry S Truman through the creation of a perpetual education scholarship program to develop increased opportunities for young Americans to prepare and pursue careers in public service.

(20 U.S.C. 2001) enacted January 4, 1975, Public Law 93–642, sec. 2, Stat. 2276.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "Board" means the Board of Trustees of the Harry S Truman Scholarship Foundation;

(2) "Foundation" means the Harry S Truman Scholarship Foundation;

(3) "fund" means the Harry S Truman Memorial Scholarship Fund;

(4) "institution of higher education" means any such institution as defined by section 1201(a) of the Higher Education Act of 1965;

(5) "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and considered as a single entity, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands; and

(6) "Secretary" means the Secretary of the Treasury.

(20 U.S.C. 2002) enacted January 4, 1975, Public Law 93–642, sec. 3, 88 Stat. 2276.

SEC. 4. The Harry S Truman Scholarship Program as authorized by this Act shall be the sole Federal memorial to President Harry S Truman.

(20 U.S.C. 2003) enacted January 4, 1975, Public Law 93–642, sec 4, 88 Stat. 2277.

ESTABLISHMENT OF THE HARRY S TRUMAN SCHOLARSHIP PROGRAM

SEC. 5. (a) There is established, as an independent establishment of the executive branch of the United States Government, the Harry S Truman Scholarship Foundation.

(b)(1) The Foundation shall be subject to the supervision and direction of a Board of Trustees. The Board shall be composed of thirteen members, as follows:

(A) two Members of the Senate, one from each political party, to be appointed by the President of the Senate;

(B) two Members of the House of Representatives, one from each political party, to be appointed by the Speaker;

(C) eight members, not more than four of whom shall be of the same political party, to be appointed by the President with the advice and consent of the Senate, of whom one shall be a chief executive officer of a State, one a chief executive officer of a city or county, one a member of a Federal Court, one a member of a State court, one a person active in postsecondary education, and three representatives of the general public; and

(D) the Commissioner of Education or his designate, who shall serve ex officio as a member of the Board, but shall not be eligible to serve as Chairman.

(c) The term of office of each member of the Board shall be six years; except that (1) the members first taking office shall serve as designated by the President, four for terms of two years, five for terms of four years, and four for terms of six years, and (2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed, and shall be appointed in the same manner as the original appointment for that vacancy was made.

(d) Members of the Board shall serve without pay, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of their duties.

(20 U.S.C. 2004) enacted January 4, 1972, Public Law 93–642, 88 Stat. 2277.

SCHOLARSHIPS

SEC. 6. (a) The Foundation is authorized to award scholarships to persons who demonstrate outstanding potential for and who plan to pursue a career in public service. Award recipients shall be known as Truman scholars.

(b) Scholarships under this Act shall be awarded for such periods as the Foundation may prescribe but not to exceed four academic years.

(c) A student awarded a scholarship under this Act may attend any institution of higher education offering courses of study, training, or other educational activities designed to prepare persons for a career in public service as determined pursuant to criteria established by the Foundation.

(d) Each student awarded a scholarship under this Act must have indicated a serious intent to enter the public service upon the completion of his or her educational program. Each institution of higher education at which such a student is in attendance will make reasonable continuing efforts to encourage such a student to enter the public service upon completing his or her educational program.

(20 U.S.C. 2005) enacted January 4, 1972, Public Law 93–642, 88 Stat. 2278.

SELECTION OF TRUMAN SCHOLARS

SEC. 7. (a) The Foundation is authorized, either directly or by contract, to provide for the conduct of a nationwide competition for the purpose of selecting Truman scholars.

(b) The Foundation shall adopt selection procedures which shall assure that at least one Truman scholar shall be selected each year from each State in which there is at least one resident applicant who meets the minimum criteria established by the Foundation.

(20 U.S.C. 2006) enacted January 4, 1975, Public Law 93–642, sec. 7, 88 Stat. 2278.

STIPENDS

SEC. 8. Each student awarded a scholarship under this Act shall receive a stipend which shall not exceed the cost to such student for tuition, fees, books, room and board, or $5,000 whichever is less for each academic year of study.

(20 U.S.C. 2007) enacted January 4, 1975, Public Law 93–642, sec. 8, 88 Stat. 2278.

SCHOLARSHIP CONDITIONS

SEC. 9. (a) A student awarded a scholarship under the provisions of this Act shall continue to receive the payments provided in this Act only during such periods as the Foundation finds that he or she is maintaining satisfactory proficiency and devoting full time to study or research designed to prepare him or her for a career in public service and is not otherwise engaging in gainful employment other than employment approved by the Foundation pursuant to regulation.

(b) The Foundation is authorized to require reports containing such information in such form and to be filed at such times as the Foundation determines to be necessary from any student awarded a scholarship under the provisions of this act. Such reports shall be accompanied by a certificate from any appropriate official at the institution of higher education, approved by the Foundation, stating that such student is making satisfactory progress in, and is devoting essentially full time to, study or research, except as otherwise provided in subsection (a).

(20 U.S.C. 2008) enacted January 4, 1975, Public Law 93–642, sec. 9, 88 Stat. 2278.

TRUMAN MEMORIAL SCHOLARSHIP FUND

Sec. 10. (a) There is established in the Treasury of the United States a trust fund to be known as the Harry S Truman Memorial Scholarship Trust Fund. The fund shall consist of amounts appropriated to it by section 14 of this act.

(b) It shall be the duty of the Secretary to invest in full the amounts appropriated to the fund. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market place. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 per centum next lower than such average rate. Such special obligations shall be issued only if the Secretary determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States or original issue or at the market price, is not in the public interest.

(c) Any obligation acquired by the fund (except special obligations issued exclusively to the fund) may be sold by the Secretary at the market price, and such special obligations may be redeemed at par plus accrued interest.

(d) The interest on, and the proceeds from the sale or redemption of, any obligations held in the fund shall be credited to and form a part of the fund.

(20 U.S.C. 2009) enacted January 4, 1972, Public Law 93-642, sec. 10, 88 Stat. 2279.

EXPENDITURES FROM THE FUND

Sec. 11. (a) The Secretary is authorized to pay to the Foundation from the interest and earnings of the fund such sums as the Board determines are necessary and appropriate to enable the Foundation to carry out the purposes of the Act.

(b) The activities of the Foundation under this Act may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, and files and all other papers, things, or property belonging to or in use by the Foundation, pertaining to such activities and necessary to facilitate the audit.

(20 U.S.C. 2010) enacted January 4, 1975, Public Law 93-642, sec. 11, 88 Stat. 2279.

EXECUTIVE SECRETARY

Sec. 12. (a) There shall be an Executive Secretary of the Foundation who shall be appointed by the Board. The Executive Secretary shall be the chief executive officer of the Foundation and shall carry out the functions of the Foundation subject to the supervision and direction of the Board. The executive Secretary shall carry out such other functions consistent with the provisions of this Act as the Board shall delegate.

(b) The Executive Secretary of the Foundation shall be compensated at the rate specified for employees placed in grade 18 of the General Schedule set forth in section 5332 of title 5, United States Code.

(20 U.S.C. 2011) enacted January 4, 1975, Public Law 93–642, sec. 12, 88 Stat. 2280.

ADMINISTRATIVE PROVISIONS

Sec. 13. (a) In order to carry out the provisions of this Act, the Foundation is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act, except that in no case shall employees other than the Executive Secretary be compensated at a rate to exceed the rate provided for employees in grade 15 of the General Schedule set forth in section 5332 of title 5, United States Code;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of such title;

(3) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(4) receive money and other property donated, bequeathed, or devised, without condition or restriction other than it be used for the purposes of the Foundation; and to use, sell, or otherwise dispose of such property for the purpose of carrying out its functions;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof may, with the concurrence of two-thirds of the members of the Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(7) make advances, progress, and other payments which the Board deems necessary under this Act without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U.S.C. 529);

(8) rent office space in the District of Columbia; and

(9) make other necessary expenditures.

(b) The Foundation shall submit to the President and to the Congress an annual report of its operations under this Act.

(20 U.S.C. 2012) enacted January 4, 1975, Public Law 93–642, sec. 13, 88 Stat. 2280.

APPROPRIATIONS AUTHORIZED

SEC. 14. There are authorized to be appropriated $30,000,000 to the fund.

(20 U.S.C. 2013) enacted January 4, 1975, Public Law 93–642, sec. 14, 88 Stat. 2280.

ALLEN J. ELLENDER FELLOWSHIP PROGRAM

JOINT RESOLUTION To provide grants for Allen J. Ellender fellowships to disadvantaged secondary school students and their teachers to participate in a Washington public affairs program

Whereas Allen J. Ellender, a Senator from Louisiana and President pro tempore of the United States Senate, had a distinguished career in public service characterized by extraordinary energy and real concern for young people and the development of greater opportunities for active and responsible citizenship by young people; and

Whereas Senator Ellender provided valuable support and encouragement to the Close Up Foundation, a nonpartisan, nonprofit foundation promoting knowledge and understanding of the Federal Government among young people and their educators; and

Whereas it is a fitting and appropriate tribute to the beloved Senator Ellender to provide in his name an opportunity for participation, by students of limited economic means and by their teachers, in the program supported by the Close Up Foundation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Commissioner of Education (hereinafter referred to as the "Commissioner") is authorized to make grants in accordance with the provisions of this joint resolution to the Close Up Foundation of Washington, District of Columbia, a nonpartisan, nonprofit foundation, for the purpose of assisting the Close Up Foundation in carrying out its program of increasing understanding of the Federal Government among secondary school students, their teachers, and the communities they represent.

(b) Grants received under this joint resolution shall be used only for financial assistance to economically disadvantaged students and their teachers who participate in the program described in subsection (a) of this section. Financial assistance received pursuant to this joint resolution by such students and teachers shall be known as Allen J. Ellender fellowships.

(— U.S.C. —) enacted October 19, 1972, Public Law 92–506, sec. 1, 86 Stat. 907.

SEC. 2. (a) No grant under this joint resolution may be made except upon an application at such time, in such manner, and accompanied by such information as the Commissioner may reasonably require.

(b) Each such application shall contain provisions to assure—

(1) that not more than one thousand five hundred fellowship grants are made to economically disadvantaged secondary school students, and to secondary school teachers, in any fiscal year;

(2) that not more than one secondary school teacher in each such school participating in the program may receive a fellowship grant in any fiscal year; and

(3) the proper disbursement of the funds of the United States received under this joint resolution.

(— U.S.C. —) enacted October 19, 1972, Public Law 92–506, sec. 2, 86 Stat. 908.

SEC. 3. (a) Payments under this joint resolution may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment.

(b) The Comptroller General of the United States or any of his duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to any grant under this joint resolution.

(— U.S.C. —) enacted October 19, 1972, Public Law 92–506, sec. 3, 86 Stat. 908.

SEC. 4. For the purpose of this joint resolution, the term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education beyond grade twelve.

(— U.S.C. —) enacted October 19, 1972, Public Law 92–506, sec. 4, 86 Stat. 908.

SEC. 5. There are authorized to be appropriated not to exceed $500,000 for the fiscal year ending June 30, 1973, and for each of the two succeeding fiscal years to carry out the provisions of this joint resolution.

(— U.S.C. —) enacted October 19, 1972, Public Law 92–506, sec. 5, 86 Stat. 908.

HERBERT HOOVER MEMORIAL

AN ACT To recognize the fifty years of extraordinary and selfless public service of Herbert Hoover, including his many great humanitarian endeavors, his chairmanship of two Commissions of the Organization of the Executive Branch, and his service as thirty-first President of the United States, and in commemoration of the one hundredth anniversary of his birth on August 10, 1974, by providing grants to the Hoover Institution on War, Revolution, and Peace

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in order to establish an appropriate memorial to the late President Herbert Hoover, the Secretary of the Treasury (hereinafter referred to as the "Secretary") is authorized to make grants, in accordance with the provisions of this Act, to the Hoover Institution on War, Revolution, and Peace, Stanford University, Stanford, California.

(b) No grant may be made under this Act for any fiscal year unless—

(1) the Secretary determines that the total of such grants for that year will not exceed the total amount of gifts, bequests, and devises of money, securities, and other property, made after the date of enactment of this Act, for that year for the benefit of the Hoover Institution on War, Revolution, and Peace; and

(2) the Hoover Institution on War, Revolution, and Peace furnishes to the Secretary such information at such times and in such manner as he may require.

(c) Grants made under this Act may be used for the construction of a new educational building to be used by the Hoover Institution on War, Revolution, and Peace, and for the equipment of such building.

(— U.S.C. —) enacted January 2, 1975, Public Law 93–585, sec. 1, 88 Stat. 1918.

SEC. 2. (a) The Congress finds that, if a facility constructed with the aid of any grant under this Act is used as an educational facility for twenty years following completion of such construction, the public benefit accruing to the United States from such use will equal in value the amount of such grant or grants. The period of twenty years after completion of such construction shall, therefore, be deemed to be the period of Federal interest in such facility for the purposes of this Act.

(b) If, within twenty years after completion of construction of an educational facility which has been constructed in part with a grant or grants under this Act—

(1) the Hoover Institution on War, Revolution, and Peace (or its successor in title or possession) ceases or fails to be a nonprofit institution, or

(2) the facility ceases to be used as an educational facility, unless the Secretary determines that there is good cause for releasing the institution from its obligation,

the United States shall be entitled to recover from such Institution (or successor) an amount which bears to the then value of the facility the same ratio as the amount of such Federal grant or grants bore to the development cost of the facility (as determined by the Secretary) financed with the aid of such grant or grants. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated.

(c) Notwithstanding the provisions of subsections (a) and (b), no facility constructed with assistance under this Act shall ever be used for religious worship or a sectarian activity or for a school or department of divinity.

(— U.S.C. —) enacted January 2, 1975, Public Law 93–585, sec. 2, 88 Stat. 1919.

SEC. 3. The Comptroller General of the United States, or any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Hoover Institution on War, Revolution, and Peace that are pertinent to the grant received.

(— U.S.C. —) enacted January 2, 1975, Public Law 93–585, sec. 3, 88 Stat. 1919.

SEC. 4. The Hoover Institution on War, Revolution, and Peace shall, annually, prepare and furnish to the President and the Congress a report on the expenditure of funds received by the Institution in the previous fiscal year during the period for which grants are made under this Act.

(— U.S.C. —) enacted January 2, 1975, Public Law 93–585, sec. 4, 88 Stat. 1919.

SEC. 5. There are authorized to be appropriated to the Secretary for making grants in accordance with this Act amounts not to exceed $7,000,000. Funds appropriated pursuant to this Act shall be available without fiscal year limitation, for the period beginning on the date of enactment of this Act and ending five years after such date.

(— U.S.C. —) enacted January 2, 1975, Public Law 93–585, sec. 5, 88 Stat. 1919.

SEC. 6. Grants made pursuant to this Act shall be the sole Federal memorial to the late President Herbert Hoover.

(— U.S.C. —) enacted January 2, 1975, Public Law 93–585, sec. 6, 88 Stat. 1919.

GRANTS TO EISENHOWER COLLEGE AND TO THE SAMUEL RAYBURN LIBRARY

(Public Law 93-441)

AN ACT To authorize the Secretary of the Treasury to change the alloy and weight of the one-cent piece and to amend the Bank Holding Act Amendments of 1970 to authorize grants to Eisenhower College, Seneca Falls, New York

* * * * * * *

SEC. 2. (a) Except as provided by subsection (b) and after receiving the assurances described in subsection (c), the Secretary of the Treasury is authorized to take one-tenth of all moneys derived from the sale of $1 proof coins minted and issued under section 101(d) of the Coinage Act of 1965 (31 U.S.C. 391(d)) and section 203 of the Bank Holding Company Act Amendments of 1970 (31 U.S.C. 324b) which bears the likeness of the late President of the United States, Dwight David Eisenhower, and transfer such amount of moneys to Eisenhower College, Seneca Falls, New York.

(b) For the purposes of carrying out this section, there is authorized to be appropriated not to exceed $10,000,000.

(c) Before the Secretary of the Treasury may transfer any moneys to Eisenhower College under this Act, Eisenhower College must make satisfactory assurances to him that any amount equal to 10 per centum of the total amount of moneys received by Eisenhower College under this Act shall be transferred to the Samuel Rayburn Library at Bonham, Texas.

(31 U.S.C. 391) enacted October 11, 1974, Public Law 93-441, sec. 2, 88 Stat. 1262.